

## HOUSE OF REPRESENTATIVES

FRIDAY, OCTOBER 5, 1951

The House met at 12 o'clock noon. The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou eternal God, our Father, whose heart always opens with love in response to those who truly seek Thee, inspire us now with a greater faith in prayer and may we never set any limits to its efficacy and its possibilities.

Grant that daily we may yield ourselves in a glad and willing obedience to the mind of our blessed Lord for we are desperately in need of His spirit to give us hope and courage and to restrain us from harboring those feelings of cynicism and doubt which so often storm the citadel of our souls.

May we be eager to have a larger part in hastening the dawning of that better day when out of this world's tragedies and tyrannies, its hatred and bitterness, its bigotry and prejudice, its selfishness and sin, there shall emerge a social order that has in it the Master's spirit of good-will and kindness and love.

Hear us in His name. Amen.

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Landers, its enrolling clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2170. An act to amend the Defense Production Act of 1950, as amended.

## DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1952

Mr. MAHON. Mr. Speaker, I call up the conference report on the bill (H. R. 5054) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the Department of Defense, for the fiscal year ending June 30, 1952, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

## CONFERENCE REPORT (H. REPT. NO. 1097)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5054) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the Department of Defense, for the fiscal year ending June 30, 1952, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 9, 10, 11, 12, 13, 14, 15, 16, 18, 19, 20, 27, 28, 29, 30, 31, 32, 33, 36, 37, 38, 40, 42, 43, 53, 55, and 56.

That the House recede from its disagreement to the amendments of the Senate numbered 21, 22, 23, 24, 25, 26, 34, 35, 44, 47, 51, and 52, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$14,100,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "Provided, That no part of such sum shall be used to pay the retired or retirement pay of any commissioned member of the Regular Army, Navy, Marine Corps, or Air Force who is voluntarily retired after the date of enactment of this Act, unless such member was retired because of (1) being unfit to perform the duties of his office, rank, grade, or rating by reason of a physical disability incurred in line of duty, or (2) achieving the age at which retirement is required by law, or (3) whose application is approved in writing by the Secretary of Defense stating that the retirement is in the best interests of the service, or, is required to avoid cases of individual hardship"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert:

## "EXPANSION OF UNITED STATES AIR POWER

"For the purpose of providing continuous expansion of United States air power by providing additional construction of aircraft and related procurement, Department of the Navy, \$333,000,000; and by providing additional aircraft and related procurement, Department of the Air Force, \$667,000,000."

And the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert "Provided further, That until July 1, 1952, further collection by the Comptroller General of the United States or government accountable officers shall not be made on account of payments for accrued leave to enlisted members discharged for the purpose of immediate reenlistment"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "Provided, That none of the funds appropriated in this Act, and none of the property procured therewith, shall be available for transfer to any working capital fund under clothing and equipage in the Department of the Army under section 405 (d) of the National Security Act, as amended"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$193,000,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert "Provided, That expenditures of appropriations contained in this Act for public informational activities of the

Department of Defense shall not exceed \$10,950,000 including pay and allowances of military personnel assigned to such activities: Provided further, That none of the funds appropriated in this Act shall be used for expenditure in connection with recruitment advertising including sponsorship of radio and television shows by the Department of the Army, the Department of the Navy or the Department of the Air Force"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$8,076,056,430"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$1,775,000,000"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following:

"For the continuation of the construction of four projects authorized by Public Law 910, Eighty-first Congress, approved January 6, 1951, and Public Law 43, Eighty-second Congress, approved May 31, 1951, to remain available until expended, \$187,300,000 of which \$85,000,000 is for liquidation of obligations incurred pursuant to authority heretofore granted under this heading to enter into contracts."

And the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$19,043,000"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"(b) No part of any appropriation contained in this Act for 'Pay and allowances' of military personnel shall be expended for the pay or allowances, accruing after November 30, 1951, of any enlisted member of the inactive or volunteer reserve who served on active duty for a period of twelve months or more in any branch of the Armed Forces during the period beginning December 7, 1941, and ending September 2, 1945, if such member shall have served on active duty for a period of sixteen months or more after June 26, 1950, unless such member shall have voluntarily consented to remain on active duty."

And the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert "Provided, That no appropriation contained in this Act, and no funds available from prior appropriations to component departments and agencies of the Department of Defense, shall be used to pay tuition or to make other payments to educational institutions in connection with the instruction or training of file clerks, stenographers, and typists receiving, or prospective file clerks, stenographers, and typists who will receive compensation at a rate below the minimum rate of pay for positions allocated to grade GS-5 under the Classification Act

of 1949, as amended; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following:

"Sec. 628. No appropriation contained in this Act shall be available on and after January 1, 1952, in connection with the operation of commissary stores of the agencies of the Department of Defense for the cost of purchase (including commercial transportation in the United States to the place of sale but excluding all transportation outside the United States) and maintenance of operating equipment and supplies and for the actual or estimated cost of utilities as may be furnished by the Government and of shrinkage, spoilage, and pilferage of merchandise under the control of such commissary stores, except as authorized under regulations promulgated by the Secretaries of the military departments concerned, with the approval of the Secretary of Defense, which regulations shall provide for reimbursement therefor to the appropriations concerned and, notwithstanding any other provision of law, shall provide for the adjustment of the sales prices in such commissary stores to the extent necessary to furnish sufficient gross revenue from sales of commissary stores to make such reimbursement: *Provided, however,* That under such regulations as may be issued pursuant to this section all utilities may be furnished without cost to the commissary stores outside the continental United States and in Alaska."

And the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"Sec. 633. No part of any appropriation contained in this Act shall be available for the payment of flight pay to personnel whose actual assigned duties do not involve operational or training flights."

And the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the figures inserted by said amendment insert "634"; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 50.

GEORGE MAHON,  
HARRY R. SHEPPARD,  
ROBERT L. F. SIKES,  
JOHN J. RILEY,  
CLARENCE CANNON,  
JOHN TABER,  
R. B. WIGGLESWORTH,  
ERRETT P. SCRIVNER,

*Managers on the Part of the House.*

JOSEPH C. O'MAHONEY,  
CARL HAYDEN,  
RICHARD B. RUSSELL,  
DENNIS CHAVEZ,  
HOMER FERGUSON,  
STYLES BRIDGES,  
KENNETH S. WHERRY,  
LEVERETT SALTONSTALL,

*Managers on the Part of the Senate.*

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5054) making appropriations for the National Security Council, the National Security Resources Board, and for military functions admin-

istered by the Department of Defense, for the fiscal year ending June 30, 1952, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

#### OFFICE OF THE SECRETARY OF DEFENSE

Amendment No. 1, relating to salaries and expenses, Office of the Secretary of Defense: Appropriates \$14,100,000 instead of \$13,800,000 as proposed by the House and \$14,450,000 as proposed by the Senate.

Amendment No. 2, relating to retired pay: Limits the provisions of the amendment to "commissioned" members of the Regular Army, Navy, Marine Corps, or Air Force who are "voluntarily" retired, or to those whose application for retirement is approved in writing by the Secretary of Defense in the best interest of the service, or to avoid cases of individual hardship, as proposed by the House.

Amendment No. 3, relating to an emergency fund for the construction of aircraft and related procurement: Provides funds in the amount of \$333,000,000 for transfer to the appropriation "Construction of aircraft and related procurement," Department of the Navy, and \$667,000,000 for transfer to the appropriation "Aircraft and related procurement," Department of the Air Force, as proposed by the House.

The purpose of this amendment is to provide an additional fund for the procurement of aircraft and related procurement in order that there will be sufficient funds to place orders for long lead time procurement. This amount should be sufficient to enable the departments concerned to make any necessary procurements for the next few months, when proper presentations can be made to the Congress for further consideration of the entire procurement problem.

#### DEPARTMENT OF THE ARMY

Amendment No. 4, relating to pay of the Army: Prohibits until July 1, 1952, the further collection of payments for accrued leave that have been made to enlisted members discharged for the purpose of immediate reenlistment for an indefinite period, as proposed by the House.

Amendment No. 5, relating to clothing and equipage: Appropriates \$1,506,681,000 as proposed by the House instead of \$1,639,081,000 as proposed by the Senate.

Amendment No. 6, relating to clothing and equipage: Prohibits use of funds in this act for working capital funds under clothing and equipage in the Department of the Army.

The committee desires that a complete report be made under all working capital funds in the different services to the Committees on Appropriation of the House of Representatives and the Senate semianually, and so directs.

Amendment No. 7, relating to incidental expenses of the Army: Appropriates \$193,000,000 instead of \$187,914,000 as proposed by the House and \$194,514,000 as proposed by the Senate.

Amendment No. 8, relating to incidental expenses of the Army: Prohibits the use of funds appropriated in this act for expenditures for recruitment advertising, including radio and television shows. Examination of this matter will be the subject of further consideration.

Amendments Nos. 9 and 10, relating to Transportation Service, Army: Appropriates \$968,515,000 as proposed by the House instead of "\$938,515,000 for expenditure during fiscal year 1952 and thereafter during 1953 and \$30,000,000 for expenditure during fiscal year 1953 for the purposes authorized in this paragraph," as proposed by the Senate.

The bill as passed by the House included funds in several instances for procurements

in excess of the procurements that might be made during fiscal year 1952. This was done for the purpose of providing authority to the departments to enter into long lead time procurements, a portion of which would not be delivered and require payment therefor until after the end of fiscal year 1952. The Senate proposed to separate the amounts required for expenditure during fiscal year 1952 from those that would be required thereafter in order to make clear that the total sum appropriated would not flow into the stream of purchasing power during fiscal year 1952. That purpose, we think, has been clearly established in the publicity that has been given the matter. The Senate concurs in the proposal to return to the House position.

Amendments Nos. 11 and 12, relating to the Signal Service of the Army: Appropriates \$1,213,707,000 as proposed by the House instead of \$817,931,000 and \$400,000,000 as proposed by the Senate with same explanation as given under amendments Nos. 9 and 10 above.

Amendments Nos. 13 and 14, relating to Medical and Hospital Department: Appropriates \$269,580,000 as proposed by the House instead of \$259,580,000 and \$10,000,000 as proposed by the Senate with same explanation as given under amendments Nos. 9 and 10 above.

Amendments Nos. 15 and 16, relating to Engineer Service, Army: Appropriates \$1,166,049,000 as proposed by the House instead of \$1,126,049,000 and \$40,000,000 as proposed by the Senate with same explanation as given under amendments Nos. 9 and 10 above.

Amendments Nos. 17 and 18, relating to Ordnance Service and Supplies, Army: Appropriates \$8,307,500,000 as proposed by the House instead of \$3,332,082,130 and \$4,743,974,000 as proposed by the Senate with explanation as given under amendments Nos. 9 and 10 above.

Amendments Nos. 19 and 20, relating to Chemical Service, Army: Appropriates \$122,560,000 as proposed by the House instead of \$102,560,000 and \$20,000,000 as proposed by the Senate with same explanation as given under amendments Nos. 9 and 10 above.

Amendment No. 21, relating to salaries, Office of the Secretary of the Army: Appropriates \$3,723,400 as proposed by the Senate instead of \$3,625,000 as proposed by the House.

Amendment No. 22, relating to salaries, Office of the Judge Advocate General: Appropriates \$743,000 as proposed by the Senate instead of \$700,000 as proposed by the House.

Amendment No. 23, relating to salaries, Office of the Quartermaster General: Appropriates \$9,875,000 as proposed by the Senate instead of \$9,625,000 as proposed by the House.

Amendment No. 24, relating to salaries, Office of the Chief of Transportation: Appropriates \$4,024,000 as proposed by the Senate instead of \$3,800,000 as proposed by the House.

Amendment No. 25, relating to salaries, Office of Chief of Ordnance: Appropriates \$6,750,000 as proposed by the Senate instead of \$6,500,000 as proposed by the House.

Amendment No. 26, relating to salaries, Department of the Army: Limits the expenditures for salaries, Department of the Army, to 95 percent of the amount appropriated in the specific items for salaries.

#### DEPARTMENT OF THE NAVY

Amendments Nos. 27, 28, and 29, relating to construction of aircraft and related procurement: Appropriates \$4,000,000,000 as proposed by the House instead of \$1,050,000,000 and \$2,950,000,000 as proposed by the Senate with same explanation as given under amendments Nos. 9 and 10 above.

Amendments Nos. 30 and 31, relating to shipbuilding and conversion: Appropriates



\$1,343,297,000 as proposed by the House instead of \$245,040,000 and \$1,098,257,000 as proposed by the Senate with same explanation as given under amendments Nos. 9 and 10 above.

Amendments Nos. 32 and 33, relating to ordinance for shipbuilding and conversion: Appropriates \$431,390,000 as proposed by the House instead of \$75,000,000 and \$356,390,000 as proposed by the Senate with same explanation as given under amendments Nos. 9 and 10 above.

Amendment No. 34, relating to public works: Appropriates \$51,657,000 as proposed by the Senate instead of \$50,414,000 as proposed by the House.

Amendment No. 35, relating to public works: Provides that \$1,243,000 of the appropriation mentioned above in amendment No. 34 be used for construction at Newport, R. I., as proposed by the Senate.

#### DEPARTMENT OF THE AIR FORCE

Amendments Nos. 36, 37, and 38, relating to aircraft and related procurement: Appropriates \$11,215,800,000 as proposed by the House instead of \$3,215,800,000 and \$8,000,000,000 as proposed by the Senate with explanation the same as given under amendments Nos. 9 and 10 above.

Amendments Nos. 39 and 40, relative to major procurement other than aircraft: Appropriates \$1,775,000,000 instead of \$1,750,000,000 as proposed by the House and \$1,000,000,000 and \$800,000,000 as proposed by the Senate, with explanation as given under amendments Nos. 9 and 10, above.

Amendment No. 41, relating to acquisition and construction of real property: Appropriates \$187,300,000, of which \$102,300,000 is for four projects authorized by Public Law 910, Eighty-first Congress, as proposed by the Senate instead of \$85,000,000 as proposed by the House; and eliminates the word "classified", as proposed by the House.

Amendments Nos. 42 and 43, relating to research and development: Appropriates \$425,000,000 as proposed by the House instead of \$225,000,000 and \$200,000,000 as proposed by the Senate with same explanation as given under amendments Nos. 9 and 10 above.

Amendment No. 44, relating to Reserve personnel requirements: Includes language "or on duty under section 5, National Defense Act, as authorized by law", as proposed by the Senate.

Amendment No. 45, relating to Reserve personnel requirements: Appropriates \$19,043,000 instead of \$17,543,000 as proposed by the House and \$19,843,000 as proposed by the Senate.

Amendment No. 46, relating to the general provisions of the bill: Provides that enlisted members of the Inactive or Volunteer Reserves who served at least 12 months in World War II and who have served on active duty for a period of 16 months or more after June 26, 1950, shall be discharged unless such member voluntarily consents to remain on active duty.

Amendment No. 47, relating to general provisions of the bill: Provides that appropriations for "instruction and training, including tuition," shall be "specifically approved by the Secretary of the Department concerned," as proposed by the Senate.

Amendment No. 48, relating to general provisions of the bill: Prohibits use of appropriation to pay tuition or to make other payments to educational institutions in connection with the instruction or training of file clerks, stenographers, and typists receiving, or prospective file clerks, stenographers, and typists who will receive, compensation below the grade GS-5 under the Classification Act of 1949, as amended, as proposed by the House.

Amendment No. 49, relating to the general provisions of the bill: Provides for the adjustment of the sales prices at commissary

stores necessary to make reimbursements to appropriations to cover overhead or administrative costs, with certain exceptions such as transportation costs outside the United States.

Amendment No. 50, relating to the general provisions of the bill: Provides for 10 temporary positions in grades GS-17 and GS-18, of which not more than 5 shall be in grade GS-18, and not more than 4 positions shall be filled by promotion as proposed by the House instead of 15 temporary positions in the above-mentioned grades of which not more than 8 shall be in grade GS-18 as proposed by the Senate.

Amendment No. 51, relating to the general provisions of the bill: Prohibits gratuities to any officer or employee of the Government by contractors or their representatives, as proposed by the Senate.

Amendment No. 52, relating to the general provisions of the bill: Limits the number of full-time graded civilian employees to not more than 500,000, as proposed by the Senate.

Amendment No. 53, relating to the general provisions of the bill: Deletes proposed reduction equal to 2½ percent of the amounts appropriated in the bill as proposed by the Senate.

Amendment No. 54, relating to the general provisions of the bill: Corrects the section number to 633 and provides that no part of the appropriation shall be available for the payment of flight pay to personnel whose actual assigned duties do not involve operational or training flights.

It is the intention of the conferees to make certain that officers and airmen shall not be permitted to draw flight pay except for flights on specific orders for operational or training flights, including such flights as are necessary to maintain the proficiency of administrative personnel.

Amendment No. 55, relating to the general provisions of the bill: Eliminates a proposed Senate amendment proposing a reduction of \$70,000,000 in research and development funds, as proposed by the House.

Amendment No. 56, relating to the general provisions of the bill: Eliminates a proposed Senate amendment providing that "No part of any appropriations made by this Act shall be available to reimburse any person for expenses of travel in any amount in excess of the amount of the expenses actually incurred by such person in such travel," as proposed by the House.

Amendment No. 57, relating to the general provisions of the bill: Inserts the figures "634" instead of the figures "630" (section number) as proposed by the House and the figures "637" as proposed by the Senate.

#### AMENDMENT REPORTED IN DISAGREEMENT

The following amendment is reported in disagreement:

Amendment No. 50, relating to the general provisions of the bill providing for the Office of the Secretary of Defense, 10 temporary positions in grades GS-17 and GS-18, of which not to exceed 5 shall be in grade GS-18, and not more than 4 shall be filled by promotion. The managers on the part of the House will move to recede and concur.

GEORGE MAHON,  
HARRY R. SHEPPARD,  
ROBERT L. F. SIKES,  
JOHN J. RILEY,  
CLARENCE CANNON,  
JOHN TABER,  
R. B. WIGGLESWORTH,  
ERRETT P. SCRIVNER,

*Managers on the Part of the House.*

Mr. MAHON. Mr. Speaker, peace must be actively and affirmatively sought after just like victory in war requires aggressive and affirmative effort. The military-appropriation measure which

is before us today in the form of the conference report is not a war measure; it is a peace measure. This is a part of the peace offensive of the United States.

We are not attempting to rattle the saber, to threaten and intimidate, or to instill fear in the hearts of peace-loving people. On the contrary, by affirmative action, we seek to give hope to free people, to give some greater degree of security to our own Nation and to give discouragement to totalitarianism and aggression. The conference report, the final version of the bill as agreed upon by the conferees, is substantially what the bill contained when it passed the House.

The conference report provides \$56,900,000,000 for the Army, Navy, and Air Force for the current fiscal year. Of this amount \$19,888,032,030 is for the Army, \$15,877,891,000 for the Navy and Marine Corps, and \$20,642,785,000 for the Air Force. The sum of \$529,100,000 is provided for the Office of the Secretary of Defense.

It will be understood that when the current fiscal year began the Department of Defense had on hand about \$37,000,000,000 from fiscal years 1950 and 1951 which had not been expended. Most of this money had been obligated, and much of it was not made available until late in the fiscal year 1951. The money made it possible for the Department of Defense to make firm contracts with industry for the procurement of tanks, ships, aircraft, and other weapons of war. Actually, much of the money will not be spent for a couple of years because of the long lead time required by industry for the actual delivery of certain items of procurement.

When we add the \$56,900,000,000 which will be made available in the current measure to the \$37,000,000,000 carry-over from previous fiscal years we will have a total available for expenditure by the Department of Defense during the current fiscal year of approximately \$94,000,000,000. The Army, Navy, and Air Force expect to actually expend during the current fiscal year \$40,000,000,000. Hence, the projected carry-over of funds into the next fiscal year will be about \$54,000,000,000. This money is required, however, in order that the Defense Establishment can make firm contracts with industry for long-lead-time items such as airplanes, electronics equipment, ships, tanks, guided missiles, research and development programs, and expenditures of this general type. Of course, contract authorizations rather than actual appropriations could have been resorted to, but the contract-authorization procedure is confusing and more difficult of administration, and the contract-authorization procedure does not save any money directly or indirectly. It rather increases the costs of the defense program.

I think most of you know, the Army, the Navy, and the Air Force spent during the last fiscal year about \$20,000,000,000, or something over \$19,000,000,000. During the current fiscal year, it is expected that while we are appropriating here \$56,000,000,000, only \$40,000,000,000 will be expended, and the other money will be obligated for the long lead time items.

The most important change which was made in the bill by the other body was the placing in the bill of a \$5,000,000,000 national emergency fund, which was labeled for air power. There were hardly any strings attached to the \$5,000,000,000. It was a sort of blank-check affair. In conference, and I think I violate no confidence, the Senate did not feel that the \$5,000,000,000 was justified under the circumstances. No budget estimate had been submitted, and no sufficiently definite declaration was made to us as to precisely how the money would be spent. However, certain estimates were submitted but no complete and authoritative picture of the situation was presented. The Department of Defense was not ready for final action. We all agreed, and I think we are now agreed, and I think the House agrees, that additional funds are going to be necessary this year for air power in the United States Air Force, and in the Navy. But, since the program has not been fully set and crystallized, it was thought that \$5,000,000,000 should not be provided at this time. However, the conference report does include the sum of \$1,000,000,000 in addition, and above the budget requests, for the acceleration of our air power, so that we can move more rapidly from the 95-group program to a higher figure. This money will be available for obligation for long lead time items such as aircraft and more particularly, electronic devices and so forth which are so critical and so difficult of procurement.

The \$1,000,000,000 will provide for an immediate acceleration of Air Force objectives beyond 95 wings. Of course, this will only be a first step. January is not far away and when Congress reconvenes in January, Congress can provide new additional funds which will be necessary. By that time, Department of Defense officials will have finalized their program and will be in a position to outline in detail the new program to Congress. I personally have no doubt about the urgent necessity for a further implementation of our Air Force program. Many of us have advocated such an accelerated program for some time.

#### CALL OF THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

(Roll No. 190)		
Allen, La.	Dawson	Jackson, Calif.
Anfuso	Deane	Kearney
Auchincloss	Delaney	Kennedy
Baker	Dempsey	Keogh
Bates, Ky.	Denton	Kilburn
Boggs, La.	Dollinger	King
Bolton	Durham	Latham
Bramblett	Fernandez	Lucas
Brooks	Gamble	McCulloch
Brown, Ohio	Gregory	McMillan
Busbey	Hébert	McMullen
Celler	Heffernan	Marshall
Chelf	Hess	Miller, Calif.
Cole, N. Y.	Hollifield	Morrison
Crawford	Howell	Murphy

Murray, Wis.	Rivers	Staggers
O'Konski	Roosevelt	Stanley
Perkins	Sabath	Thompson, Tex.
Phillips	Sadlak	Velde
Powell	Scudder	Vinson
Price	Shafer	Watts
Prouty	Sheehan	Whitaker
Quinn	Short	Willis
Radwan	Sittler	Wilson, Ind.
Ramsay	Smith, Va.	
Redden	Spence	

The SPEAKER. On this roll call, 352 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

#### DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1952

The SPEAKER. The gentleman from Texas [Mr. MAHON] has the floor.

Mr. MAHON. Mr. Speaker, when the quorum call began I was discussing the accelerated program for air power and explaining that in the \$56,000,000,000 military appropriation bill we had included \$1,000,000,000 above and beyond the budget request which would be available to the United States Air Force and to the Bureau of Aeronautics of the Navy—one-third to the Navy and two-thirds to the Air Force—for the procurement of long lead time items, procurement which would be very helpful in expediting the movement from 95 wings to a higher level. That was the \$1,000,000,000.

Each year, about October or November, the Joint Chiefs of Staff and the Department of Defense determine what their recommendations will be for the program for the succeeding fiscal year.

The Joint Chiefs of Staff have unanimously agreed on the accelerated air-power program, but I am not at liberty to give the details of the agreement. The proposed accelerated program has not yet been approved by the Secretary of Defense, the President, and the National Security Council. After all, before final approval can be given the accelerated program, it is necessary to consider whether or not industry and labor can provide the materials and the construction essential to the program of expansion. Of course, there are also very grave fiscal considerations which must be weighed carefully by the executive branch of the Government and the Congress before a final decision can be reached on the exact magnitude of the new air-power program.

As I have said, I personally feel, and have felt for a long time, that we must increase the Air Force beyond the 95-wing program, and I am pleased to say that indications are that the Air Force will be increased in a series of steps from the present 95-wing structure to about 140 wings.

In my judgment, a supplemental appropriation bill will be required for the current fiscal year within the range of five to ten billion dollars for augmentation of our air power and for costs incident to the Korean war. These supplemental requests could be submitted to Congress in January.

Much has been said in recent weeks about certain new weapons. This is no time for a discussion of the subject, but I think one sentence would be appropriate at the moment: Those fantastic statements about fantastical weapons are entirely too fantastic. No right thinking person is going to be misled by all this superman talk or push-button warfare. There is no easy and inexpensive road to victory in war. Happily our objective is not war but peace.

Mr. HARVEY. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield.

Mr. HARVEY. Mr. Speaker, the amount of revenue that will be required to balance the fiscal year 1952 budget will to a large extent hinge upon the rate of expenditure, I think, as the gentleman will agree, on this military appropriation bill. I think you mentioned in the course of your remarks the projected amount of spending during the fiscal year 1952 of this total appropriation. I wonder if the gentleman would elaborate and reassert the estimates that he gave us.

Mr. MAHON. During the last fiscal year, the military, that is, the Army, the Navy, and the Air Force expended about \$20,000,000,000. During the current fiscal year, they will expend about \$40,000,000,000, according to the best estimates of the Department of Defense and the Bureau of the Budget. They will have available, however, that is the Army, the Navy, and the Air Force, the total sum of something like \$95,000,000,000 for expenditures, but only about \$40,000,000,000 of the whole sum can be expended. The other money is required for long lead time items, which will not be delivered and, therefore, will not be paid for during the current fiscal year.

Mr. HARVEY. In other words, in addition to this appropriation here, there are additional funds which are not presently obligated, or if obligated, items are not sufficiently near completion to be spent, so that out of the total appropriations, the unspent funds plus this amount that you estimate, only about \$40,000,000,000 will be spent during the current fiscal year of 1952?

Mr. MAHON. That is right. The carry over from the last fiscal year is about \$37,000,000,000.

Mr. REGAN. Mr. Speaker, we are now into the sixteenth month of the so-called police action or undeclared war in Korea. As our casualty lists mount and an apparent stalemate continues while our enemies regroup and build up their reserves of men and material, our people are becoming increasingly restive and impatient, as well they might.

Many of our newspapers are reflecting that growing concern in their editorials, and the El Paso Times, largest and most influential newspaper in my district, the Sixteenth in Texas, has been carrying a most pointed series of editorials reflecting the views of so many of our people which I felt more than worthy of the attention of all the Members of Congress, and I quote one of the most recent editorials by the able editor of this newspaper, Mr. W. J. Hooten, whom many of you know:

#### WHY KOREA?

How many Americans are paying close attention to press dispatches telling of the bloody fighting going on in Korea?



It is possible that too many of us take one look at headlines about Korea and turn to something else.

"That is old stuff," we may feel inclined to say to ourselves.

Is it?

The Times recommends that every one of its readers again peruse the dispatches telling of the heartbreaking battle on Heartbreak Ridge which was described in Monday's Times.

Only three exhausted American infantrymen, remnants of a platoon, made it to the crest in the final drive at sunset. They were followed by reinforcements. Then, within 24 hours, North Koreans drove them off again.

Those are American boys, our boys, who are fighting and dying in far-off Korea. They are being called upon to give their lives in a so-called police action, which has developed into an undeclared war.

Those boys were sent into action by the President of the United States without Congress having a word to say about it.

The feeling today, both in Congress and among the people, is that "We are stuck with it; what can we do about it?"

Last April it was hoped that the fighting would be localized in Korea, that it would peter out around the thirty-eighth parallel. Then came the truce talks. Today, fighting as heavy as any that has taken place in Korea in several months again is raging with American boys being killed or maimed.

Let's insist that Congress either declare war and that we go all out in support of our young men in Korea or that we demand, and get, an explanation of what it is all about.

If we do not get either, it will be time to insist that we do an about-face and get out of Korea altogether.

That may seem to be drastic. What of it? It may be said that we need no explanation of what is going on in Korea; that it is obvious: we are trying to stop aggression.

We were not attacked.

The Times reiterates the American people are entitled to an explanation of what it is all about. If we have reason, we ought to declare war formally and then win it as quickly as possible.

I would also like to add a short story appearing on the front page of a Washington paper, Tuesday, October 2:

U. N. CAN END WAR WITH SUCCESS, BRADLEY SAYS

WITH UNITED STATES THIRD DIVISION IN KOREA (Tuesday), October 2.—Gen. Omar N. Bradley said today the United Nations could bring the Korean war to a successful "military conclusion" if the suspended truce talks break off completely.

He did not elaborate on what was implied in the phrase "military conclusion."

Is there a Member of Congress who would not like to see that "military conclusion" accomplished at once? I think not.

Mr. MAHON. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this bill comes back to the House with an increase of approximately \$900,000,000 above the bill as it passed the House. It calls for a total of \$56,939,568,030. We have reached a compromise upon a great many of the items. There was an item of \$5,000,000,000 put in by the Senate for expansion of air power, but when we came to get down to it and try to find out what it was all about the President refused to send any budget estimate, and the justifications submitted did not support the request. We have, however, agreed with

the other body upon the amount that the gentleman from Texas [Mr. MAHON], referred to \$1,000,000,000, two-thirds to go to the Air Force for airplane construction and one-third to the Navy for airplane construction.

We believe that there is a serious question as to whether they can effectively and efficiently obligate that amount during the time between now and the 30th of next June.

The other items of a major character that were in disagreement were those relating to retirement which we have worked out on a basis very largely along the line of the House language which was submitted by the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. HALLECK. Mr. Speaker, I want to ask the gentleman to yield. I wonder if this is an opportune time to do so.

Mr. TABER. The gentleman may do that now.

Mr. HALLECK. Mr. Speaker, I trust that some of the members of the Ways and Means Committee are present in the Chamber. Here we are dealing with an appropriation of billions and billions of dollars for national defense. We are making this appropriation because we are requested to do it for the security of the country. We all recognize that these great appropriations that we are making are straining our economy to the utmost. That means that we should be looking every place we can on the home front for opportunities to save money. One place where we can save money was clearly and forcefully pointed out to us by the unanimous action of the governors of the 48 States this week in Tennessee. In their conference the governors unanimously asked the Congress to return to the States, as was originally intended, under the act, the right to handle welfare operations. The governors have in substance asked the Congress to do away with the compulsory secrecy clause enacted in 1938. They have in effect said to this Congress: "You do this and we will save money not only for ourselves but we will also save money for you." My State in its wisdom undertook to act, but notwithstanding the obligations the law provides in that direction, Federal Security Administrator Oscar Ewing erroneously has taken from Indiana the money it is entitled to receive. It is obvious that action should be taken by the Congress. This is a matter which should not be delayed for weeks or for months. The time is now for this House of Representatives, through its conferees on the various bills now in conference, to accept the Senate amendment which would return to the States the right to handle this matter in a manner that the States—and the citizens of those States—believe it can best be handled.

Mr. Speaker, I appreciate the action of the gentleman from New York [Mr. TABER] in yielding to me because here is one place where we unquestionably can save money, and we can do it also as we go along with the other appropriation bills upon which we are required to act. Why should we, perhaps because of some hoped-for political advantage, stand in the way of action taken in the other body? Three times that body has

voted for this provision to let the States handle this matter. This amendment should be kept in conference by agreement of our conferees and it should be approved by the membership of the House of Representatives.

Mr. TABER. Mr. Speaker, the Senate has agreed to the major part of the House language in connection with another amendment, No. 46, offered by the gentleman from Pennsylvania [Mr. VAN ZANDT] who is entitled to a great deal of credit for having offered this amendment. It has been changed so that now the amendment is limited to the enlisted personnel and it has also been changed so that the period of service shall be 16 months instead of 12. This is necessary because at the time the amendment was adopted, practically 2 months ago, conditions were different and it is now necessary to do something of this kind. As I stated, the gentleman from Pennsylvania [Mr. VAN ZANDT] is entitled to a great deal of credit for that.

The amendment on the flight pay proposition, which was agreed to, limits the flight pay to personnel whose actually assigned duties involve operational or training flights. This allows the Air Force and the Navy to operate and give this flight pay to those who are legitimately entitled to it and will prevent a great many abuses which have occurred up to the present time.

Mr. Speaker, under all the circumstances I think we should support the conference report as it has been presented.

Mr. MAHON. Mr. Speaker, I yield 5 minutes to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Speaker, at this late day in a long and hard session, a little levity might not be out of order. I serve on a subcommittee which is presided over by a Texan, a great Texan among the many great Texans whom it is our privilege to know. And appreciating them for their work as we do, I call attention to an item which appeared in the morning paper.

Incidentally, I had always thought when Texans die they hope to spend paradise in Florida but this article states:

A Texan passed away, and upon arriving at the gates of his eternal home remarked: "Gee, I never thought that heaven was so much like Texas." The man at the gate said sadly: "Son, this ain't heaven."

Now back to the conference report. I think I may as well repeat what has been said many times on this floor. If war should come in the near future we are not appropriating enough money for the security we need. If war does not come we are appropriating too much money. Only the Kremlin knows. None of us can know that we are right in the action we now recommend, but we do know from long and bitter experience that a strong defense is the only real security this Nation now has and the only security the free world now has.

In this report we are proud of the fact that we have been able to save below the figure in the Senate bill about enough money to pay for the military construc-

tion bill which we still must bring to the floor. We have secured a reduction of about four billions. We think that is something of an accomplishment. We have corrected a number of weaknesses in military practices that have been costly and we think that too represents something of an accomplishment. We have insured a little more humane consideration for the enlisted reservists, many of whom already had given long years of service in World War II.

Frankly, we would like to save a lot more money than we have been able to save in the Military Establishment. The House has shown time and again its interest in savings. It has made a commendable record in budget reductions this year on virtually all appropriation bills. Military funds are harder to cut. No one wants to take a chance on jeopardizing national defense. Yet our subcommittee has made cuts. It has dug out and eliminated every unjustified dollar it possibly could in the time allotted to it, and with the staff available to it we have made every reasonable effort we could to save while at the same time we strengthened the military machine. If there are other places where savings can properly and safely be made, I will welcome that information from anyone at any time and I will cooperate to see that those savings are made. I do feel that this unanimous report represents the best effort we can achieve at this time.

Mr. HARVEY. Mr. Speaker, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Indiana.

Mr. HARVEY. In furtherance of the colloquy that I had with the gentleman from Texas, as I understood about \$37,000,000,000 of prior appropriations remain to be spent.

Mr. SIKES. It is obligated but has not been spent because delivery has not been made on some of the articles ordered. Many of the articles that we are buying now are so complicated that it takes months and even years to build them or in some cases tool up and expand production in order to build them.

Mr. HARVEY. I understand. Further, that the estimate is that about \$40,000,000,000 will be spent during 1952.

Mr. SIKES. That is the estimate that we have.

Mr. HARVEY. So actually the total cash expenditure contemplated out of this appropriation during current fiscal 1952 will, as now estimated, be approximately \$3,000,000,000; is that about correct?

Mr. SIKES. No; I cannot say that I follow that. You are confusing 2 years appropriations for all purposes. Remember that we have pay and allowances, food, gas, oil, ammunition, and all the other things that go into the current operations of the service. We are appropriating \$57,000,000,000 in fiscal 1952. Of that amount \$37,000,000,000 is for hardware. The remainder is primarily for housekeeping, pay, and operations. What the gentleman is thinking of is money in procurement itself. I believe a total of about \$40,000,000,000 is to be

spent in fiscal 1952. The remainder will be obligated but not actually spent.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Texas.

Mr. MAHON. For example, we are appropriating money to pay and feed and clothe the Military Establishment of 3,500,000 men and that will cost well over \$10,000,000,000 itself. This money that is carried over will be used on this long-time procurement and of the money appropriated a very considerable sum will be used this year.

Mr. SIKES. About \$8,000,000,000 will go for pay itself. This is a part of the \$20,000,000,000 housekeeping and operations fund which I described.

Mr. MAHON. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Speaker, I think in all fairness, with maybe a little bit of pride, we can justifiably say that this group of seven men on the military subcommittee on appropriations are entitled to a great deal of credit for the work they have done. We have been in session in a little cubby hole down here under the House almost continuously since the 15th of December, day in and day out, starting early in the morning and working as late as we could get reporters in the evening. That was true of holidays; that was true of Saturdays. After all those months of work we reported a bill here which the House adopted unanimously. Then the bill went over to the other body, and for some reason or other they had heard some tall tales about some fantastic weapon, and then they came out with what might be termed a fantastic addition to the appropriations that we already made available, namely, \$5,000,000,000, for which there was no justification. We asked the Air Force what they told the other body what they had not told us, and they said absolutely nothing, so if they had not told them any different from what we had heard, we did not feel that the \$5,000,000,000 was necessary or could be properly and wisely used. Personally, I would have favored not giving them any additional money over that given by the House at all, but as you gentlemen know, conferences are matters of compromise. You have to work out your differences some way, somehow, the best way you can, in order that a bill can be passed so that these funds will be available. It has been too long delayed now for many reasons, for which the House cannot be chargeable. So the result was that individual views had to give way to the views of the majority, and an additional billion dollars was granted to the Army, to the Air Force and the Navy for the procurement of airplanes. It takes from 16 to 18, 20, and 22 months to obtain a new modern plane with all its electronics and radar on it, so that it will probably be 2 years before any of this billion dollars actually brings results in the way of a finished product. Now what will happen in that 2 years, nobody knows. If somebody could tell me that there would not be any major world war within the next 2 years or 3 years, we could have very

safely cut many of these items. We are gambling; we are taking out some insurance for the security of the United States. If war does not come, much of this money appropriated will not be used; it will be for items used in peacetime training or used in Korea or any place where our troops are now serving.

So, I think on the whole the House can feel assured the conferees have done a good job. There was one item where I again had to let my own personal views give way to the views of the majority of the conferees, namely, the release of veteran reservists at the end of a year's service. I feel that a year was proper. These men have served all the way from a year to, some of them, five and a half or 6 years during World War II. Their lives have been disrupted. Everything has been changed. They have been called back to serve again, while literally hundreds of thousands, yes, millions of Americans have not served a single solitary day. So I felt as others have felt, that once they have served overseas, served during World War II, and then were called in again, 1 year's service was enough, especially for enlisted men, who do not get very many good breaks in any man's army.

There again, personal views, personal desires, had to give way to the wishes of the majority in order to bring to this body a conference report.

As I said a moment ago, this is a hard-working committee. I think it is an exceptionally fine committee.

All the way through, I believe we have done a good job. I think we could have done without this extra billion but again who knows, the majority said we should have it, and we hope it will be spent wisely. I hope this conference report will receive unanimous support from the House.

Mr. MAHON. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Speaker, amendment No. 46, which is contained in the conference report, represents a compromise on the part of the conferees of both Houses. I appreciate the difficulties that confronted the conferees but I am not satisfied with the 16-month provision. It represents nothing more than window dressing.

To refresh the memories of the Members of the House, my original amendment provided that where a veteran of World War II was a member of the volunteer or inactive Reserves and was called up against his own wishes, if he had more than 12 months' service in World War II and had served 12 months in the Korean war, then beginning November 30, 1951, he would be separated from service because no money would be available to pay his monthly wages.

Mr. SCRIVNER. Mr. Speaker, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Kansas.

Mr. SCRIVNER. Here is the thing that was pointed out, and it had quite a bit of merit to it; namely, that many of these men about whom the gentleman and I are concerned have already been in 12 months or more. Some of them



went in late in July, some early in August, and some in September. The language of the bill as written is that if they have served over 12 months that would prohibit the use of any of this money for paying them. If this is adopted right away, it will take 2 weeks or 3 weeks or a month to process many of these men for immediate discharge. Therefore, taking all of those things into consideration, the gentleman and I would not want them to be deprived of their pay just because they have been in 12 months; would we?

Mr. VAN ZANDT. They would not be deprived of their pay because under my amendment they are not eligible for separation until after November 30, which is approximately 8 weeks from this date.

Mr. SCRIVNER. Yes, they would, because none of this money could be used for the payment for their services after the expiration of 12 months. Seeing that picture, and while things went on in conference that may not be made public, I am not going to make any bones about the fact that I did not like the 12-month provision. I went up to a figure a trifle higher. This was the best we could do. It will take a few days to get this through. Let us say it becomes effective the 1st of November. Then, by the 30th of November, by the time most of them will be processed out, it will be close to 15 months.

Mr. VAN ZANDT. I repeat that under my amendment an inactive or volunteer reservist to be eligible for discharge after November 30 he must have 12 months' service in World War II and 12 months in the Korean war.

Mr. SCRIVNER. I thought all the way through that really was the best we could do.

Mr. VAN ZANDT. I appreciate what the gentleman says he tried to do in conference, but, frankly, here is the situation. Under existing law, the volunteer and inactive reservists can be discharged after 17 months of service unless the need for his rank or rate is considered critical by the Secretary. The compromise offered us eliminates the officers entirely and provides that the 17 months under existing law is reduced 30 days and made applicable only to enlisted personnel. In short, the so-called compromise is a delusion and a snare.

Mr. SCRIVNER. That is what is happening in so many cases. When they try to get their release, their category is always needed.

Mr. VAN ZANDT. That is right.

Mr. SCRIVNER. This provision is necessary if the majority of these veterans of World War II are going to be out any time soon.

Mr. VAN ZANDT. That is right.

I want to remind you that your mail as well as mine has been full of criticism from members of the armed services who are volunteer and inactive reservists. You know the story of their treatment. I want to remind you that Mrs. Rosenberg admitted before the House Committee on Armed Services that inactive and volunteer reservists have been shamefully treated. Therefore, as a Member of this Congress, I shall not sup-

port any so-called compromise because to do so it is simply condoning the shabby treatment accorded Reserve personnel. It is interesting to note that the armed services cried that my amendment would destroy the services and hamper their combat efficiency. As a result of this outburst from the Pentagon I did a little research myself. What did I find? I found that in the Senate, Senator LYNDON JOHNSON's manpower committee had studied the manpower utilization as far as the military is concerned. What do you suppose that committee said about the surplus of military manpower? Let me read from the report of this Senate committee:

The officers and enlisted men assigned to "permanent post" status at the 16 installations and performing some type of overhead function total 95,784. This is well over five divisions of men, most of whom are presumably physically and mentally fit for full military duty.

There alone you have enough surplus personnel to replace many of the inactive and volunteer reservists that would be affected by my amendment.

Let us see what a newspaperman has to say about the treatment accorded Reserves. The Globe Boston Traveler of Wednesday, August 8, 1951, in an article by Hal Clancy, said:

One reason frankly admitted was because the United States was caught short, and the mobilizers just grabbed the cards of men who were not assigned to organized units.

Then he went on to say, and he is quoting an Army officer:

"Give them the business—give them the business." That is an accurate quote.

Hal Clancy said:

Those words were said to me by one Army official in an off-the-record discussion.

That is the attitude of some of the Regular Establishment toward our inactive volunteer Reserve.

Then, let me read to you from a letter received by an officer from Korea. Here is what he has to say:

There are 7 major airfields in Japan which have a complement averaging 3,500 men each. These airfields merely contain an average of 150 personnel engaged in actual flying. Nonflying personnel on the basis of World War II standards for these type airfields should never exceed 2,000 men.

The staff officers to command such airfields during World War II usually consisted of a colonel and about 20 field grade officers. Currently, the same organization has a brigadier general, 4 colonels, and about 30 field grade officers.

These airfields contained an average of about 30 fighter-bomber-type aircraft. During World War II airfields of this type were handling three times this quantity of aircraft with smaller personnel. This obviously means that in Japan the Air Force has twice the amount of airfields they actually need.

In addition to these facts, the internal administration of Air Force bases are broken down into matériel, personnel, inspection comptroller, special service, legal, intelligence, communications, and public information. I have personally seen the operations of these administrative functions and I would conservatively estimate that each section was overstaffed five times the amount of military personnel required to do the job. This waste of manpower nevertheless is the standard organization set-up for every air base in both the United States

and abroad, as put out by Air Force General Vandenberg.

Each of these airfields in Japan are saturated with social clubs for this overstuffed personnel, including officers clubs, non-commissioned officers clubs, airmen's clubs, and a service club. The personnel on these airfields are occupying their time in Government-operated golf courses. One of these golf courses is maintained by 90 Japanese at Government expense. In short, the military personnel in Japan are living like playboys and are furnished a Government home rent free, and are having their families and American cars sent over at Government expense. Each home is given a Japanese house boy and a maid.

Now, let me read what a soldier said at Fort Eustis, Va., who is an instructor in a military school:

Since the middle of July, there have been no students to instruct. We have merely been reporting to work every day, and since that time we have been just sitting around waiting for 5 o'clock so we can go home.

Mr. Speaker, there is plenty of surplus manpower in our Armed Forces and with some efficient handling of personnel, replacement of all inactive and volunteer Reserves can be accomplished without any ill effect on the armed services.

As I said in the beginning this so-called compromise is nothing but a delusion and a snare and I cannot conscientiously stand here and support it. Furthermore I would be nothing less than a hypocrite to urge support of any recommendation of any conference committee of this Congress which would in effect place the stamp of approval on the shameful manner by which the inactive volunteer reservists of this country have been treated.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. MAHON. Mr. Speaker, all members of the committee were most anxious to do everything possible for the reservists. I think all members recognize that the services did a poor job in many respects, in calling up the reserves. We are assured that these men will now be discharged as soon as may reasonably be possible. We urged that they be released as soon as possible. The Air Force and the Army will have no difficulty meeting the schedule. The Navy has had a little more difficulty with respect to some of their personnel.

Mr. Speaker, at this point in the RECORD, I wish to insert the following letter from Mrs. Anna Rosenberg with respect to the program for the release of the reservists:

ASSISTANT SECRETARY OF DEFENSE,  
Washington, D. C., October 5, 1951.

HON. GEORGE H. MAHON,  
House of Representatives.

DEAR MR. MAHON: In accordance with our conversation of this morning, and your request, I will try to outline in this letter what the Department of Defense is doing regarding the release of inactive and volunteer reservists who saw service in World War II. The Department is making every effort to return these men to civilian life at the earliest possible moment consistent with national security.

The Army will release from active duty all enlisted men called to duty from the inactive or volunteer Reserves by December 20, 1951. Previously, the Army had announced that all such men would be released no later than

January 1, 1952. But, by a careful reworking of Army plans, and with the objective of having these men home with their families for Christmas, this new goal has been set and, barring any major change in the international situation, will be met. This letter to you represents our first announcement of the new release date.

Army officers in this category will generally be required to serve the maximum period of 17 months permitted under Public Law No. 51. As you can appreciate, it is not feasible to release officers and noncommissioned officers simultaneously and, thus, weaken the Army's leadership all in one stroke.

The Air Force will release all of its enlisted men ordered to duty from the volunteer Reserve after 12 months of service. But, again, the need for trained officers, particularly pilots and other trained crew officer personnel, makes it necessary to keep officers in this category for all, or almost all, of the 17 months permitted under law.

The Navy is releasing its enlisted men in this category after an average of about 15 months duty. Some will serve less than this period and others will be required to serve the maximum allowable under law. The Navy needs every month of service it can get from its officer personnel but, because of phasing-out problems, etc., even some of these men may serve less than the full 17-month period.

The Marine Corps has a relatively simple plan for the release of its volunteer and inactive Reserves, both enlisted and officer. All such men assigned to active duty prior to June 30, 1951, will be returned to inactive duty, on a staggered basis, by June 1952. The average service of these enlisted Marine personnel will be approximately 14 months.

Thus, as you can see, even though the Military Departments have been authorized by law to retain the so-called inactive reservists for a period of 17 months, our plans call for the release of many men in this category before the expiration of their full period of obligated service. We have treated the 17-month period as a maximum, not as a maximum and minimum combined.

Reservists of veteran status were recalled to duty with the greatest reluctance. The advent of Korea brought with it an urgent need for trained men. The only major additional source of trained men was our Reserve veterans. The training of new recruits would have taken many months. We could not wait. We had to have combatwise troops at once to reinforce the gallant but thinly spread lines in Korea.

The magnificent way in which our reservists and National Guard units responded is well known to all of us. Almost 800,000 Reserves have met the call to duty. The decisive role of our Reserve was dramatically demonstrated in the case of the First Marine Division when it made its victorious landing at Inchon. Five thousand of the men in this division were Reserves. They were men who had left their homes less than 2 months before. They had left their wives, their children, and their loved ones to take up arms for the second time in less than a decade.

Our debt to these men is enormous. The hardships and disruptions in family life and business caused by the rapid mobilization of our Reserve Forces were necessary, but this necessity did not make the sacrifices any less real. We must not permit these hardships and disruptions to occur again.

I would be the last to deny that mistakes were made in the hasty program of recalling reservists during the past year. We are doing everything we can to correct and relieve the inequities and hardships that resulted, but even more importantly, we are directing our every effort to preventing this from happening again. I am convinced that the Universal Military Training and Service Act, as enacted by the Congress, and a new

vital reserve system along the lines of the reserve legislation now under consideration by the Congress are the necessary and complementary cornerstones of our military security. They are parts of a program designed to bring stability and certainty into the lives of the men who have defended our country in the past and those who may be called upon to defend it in the future. Under this program, a man will know how much service is required of him and approximately when he must give that service. And, what is most important, he will know that everyone will do his share. Every young American will do his part on a fair and equitable basis.

With deep appreciation for your understanding cooperation in the problems faced by the Department and with all good wishes,  
Sincerely yours,

ANNA M. ROSENBERG.

Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. NICHOLSON].

Mr. NICHOLSON. Mr. Speaker, I ask unanimous consent that I may proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. NICHOLSON. Mr. Speaker, I was very much impressed by the talk of the gentleman from Indiana about the condition they are in in that State due to the directive from Washington that they cannot put on the welfare roll the amount of money they are spending. The same thing is true in the State of Massachusetts, and it is true in every other State in the union. Well, we pay 100 percent and the State, town and cities pay 50 percent, and the Federal Government steps in and says, "You cannot do this, and you cannot do that." It seems to me that it gets away from the fundamental principles of democracy when the Federal Government can step in and tell my town or my State what they may do in relation to these welfare points. The local officials in my town tell the people where their money is going and who gets it. I can find no fault with it. We are taxed for it just the same as we are for roads and everything else, and it goes in our town meeting report showing how much was spent for this, how much was spent for that, and who got it. So I wish to congratulate the gentleman from Indiana and the State of Indiana for having courage enough to insist that if they are going to spend \$15,000,000 a year or \$100,000,000 a year they have the right to know who is getting it and where it is going.

Mr. MAHON. Mr. Speaker, the gentleman from Indiana [Mr. HARVEY] has raised a question as to how this money would be spent and when. Of the \$56,000,000,000, \$29,000,000,000, more than half of it, goes for procurement of aircraft, ships, combat vehicles, ammunition, and so on, things referred to generally as military hardware.

For operation and maintenance there will be \$12,000,000,000 that will be spent this year.

Personnel calls for \$10,000,000,000 to be spent this year.

In order that this matter may be clarified I yield 3 minutes to the gentleman from Indiana.

Mr. HARVEY. Mr. Speaker, I thank the gentleman for yielding this time. I desired it for the reason that I am sure the rest of you want to know how much of the appropriations we are considering in this conference report will in fact be spent during the fiscal year 1952. The greatest confusion has existed in my own mind and I am sure in the minds of others also as to what the actual projected cash expenditures of our Government will be in the fiscal year 1952. I would very much appreciate it if I might have an answer to that question, because it hinges largely upon the amount of these military appropriations that are actually to be spent; so I would appreciate it if the gentleman would give me an estimate of what the actual cash expenditures for the Federal Government will be for the fiscal year 1952.

Mr. MAHON. Mr. Speaker, the President's budget contains a full statement and his letter of transmittal contains a full statement as to what the anticipated expenditures of the Government will be. For the military it is estimated to be \$40,000,000,000, and including military assistance abroad, \$44,000,000,000.

And of the appropriation bill which is now pending, about \$30,000,000,000 is for military procurement. Most of that will not be spent; it will simply be obligated. So about half of this money will actually be spent for maintenance, operation, personnel, and things of that kind. Much of it will be carried over. The total expenditure will be \$40,000,000,000 this year, according to best estimates.

Mr. HARVEY. Is it contemplated, that of the ninety-some-odd billions of money that we have appropriated or are appropriating, what number of billions of dollars—sixty, seventy, or eighty billions—will actually be spent?

Mr. MAHON. Of the total amounts appropriated in 1949, 1950, 1951, and 1952, \$94,000,000,000 will be available for expenditure during the current year; and of the whole amount \$40,000,000,000 will be spent, leaving about \$54,000,000,000 unexpended of all the sums for this and previous years.

Mr. HARVEY. That applies only to the military. I wonder if the gentleman from New York [Mr. TABER] would now supplement that with an additional estimate as to the other expenditures of the Government to give us a total of the expenditures for fiscal 1952, I mean actual cash outlay.

Mr. TABER. The latest figures I have, going through my own figures or the President's statement and all I have gotten from the Joint Committee on Internal Revenue, is an estimate of about \$28,000,000,000 besides the \$40,000,000,000 for the military. Some of the things we have done have contributed to cut down the nonmilitary expenditures.

Mr. HARVEY. In other words, an estimated \$68,000,000,000 will be the total cash outlay during the fiscal year 1952?

Mr. TABER. I would think that would be a fairly good estimate unless military conditions get worse.

Mr. MAHON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.



The SPEAKER. The question is on the conference report.

The conference report was agreed to. A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 50:

Page 70, line 21, insert:

"Sec. 630. In order more effectively to administer the programs and functions of the Department of Defense, the President, to the extent he deems it necessary and appropriate in the interest of national defense, may authorize within the Office of the Secretary of Defense 15 temporary positions for the fiscal year 1952 to be placed in grades GS-17 and GS-18 of the general schedule of the Classification Act of 1949 in accordance with the procedures and standards of that act. Not more than 8 of these positions shall be in grade GS-18. Such positions shall be additional to the number authorized by section 505 of that act."

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 50, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"Sec. 630. In order more effectively to administer the programs and functions of the Department of Defense, the President, to the extent he deems it necessary and appropriate in the interest of national defense, may authorize within the Office of the Secretary of Defense 10 temporary positions for the fiscal year 1952 to be placed in grades GS-17 and GS-18 of the general schedule of the Classification Act of 1949 in accordance with the procedures and standards of that act. Not more than five of these positions shall be in grade GS-18. Such positions shall be additional to the number authorized by section 505 of that act, and not more than four of these positions may be filled by promotion."

The motion was agreed to.

A motion to reconsider was laid on the table.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members who spoke on the conference report may have the privilege of revising and extending their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

#### AMENDING THE AGRICULTURAL ADJUSTMENT ACT OF 1938

Mr. ABBITT. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4475) to amend the Agricultural Adjustment Act of 1938, as amended, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 17, after "Act", insert "The increase in acreage under this subsection shall not be considered in establishing future State or farm acreage allotments."

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. HOPE. Mr. Speaker, reserving the right to object, will the gentleman explain to the House the changes that were made by the Senate amendment?

Mr. ABBITT. Mr. Speaker, the bill simply applies to tobacco and allows the Secretary to increase any type of dark tobacco in short supply. The Senate amendment provides that such increase shall be on a year-to-year basis and shall not figure in the regular allotments of the State.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

#### CONSTRUCTION OF EXPERIMENTAL SUBMARINES

Mr. SASSCER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1227) to amend further the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947, as amended, with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 8, strike out "\$50,000,000" and insert "\$49,000,000."

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. ARENDS. Mr. Speaker, reserving the right to object, and I shall not object, I would appreciate it if the gentleman would explain to the House the Senate amendment.

Mr. SASSCER. Mr. Speaker, briefly this reduces the amount as passed by the House \$50,000,000. The amendment, if concurred in, would reduce the amount authorized by the House bill \$1,000,000.

The bill is directed to the construction of experimental submarines. The Department said it needed an increase of approximately \$9,000,000, which would have brought the total up to \$49,000,000. The House felt that due to the fluctuation of prices it should put in \$50,000,000, but the Senate cut that back. The Navy Department feels it can do the necessary construction work for \$49,000,000.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

#### AUTHORITY OF ADMINISTRATOR OF VETERANS' AFFAIRS TO APPOINT RETIRED OFFICERS

Mr. KILDAY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5062) to extend the authority of the Administrator of Veterans' Affairs to appoint and

employ retired officers without affecting their retired status.

The Clerk read the title of the bill.

Mr. ARENDS. Mr. Speaker, reserving the right to object, I would appreciate it if the gentleman from Texas would explain the purpose of the bill.

Mr. KILDAY. Mr. Speaker, for 5 years the Veterans' Administration has had authority for the employment of retired members of the armed services without affecting their retired status. However, that 5-year period has expired and this bill extends it for an additional 5 years without any change in the other provisions of the law. As a matter of fact, this has been used very sparingly by the Veterans' Administration, and then, primarily for the purpose of employing medical personnel which is badly needed. At the present time, the Director of the Medical Service of the Veterans' Administration is Admiral Boone, known to many of us because of his long and excellent service with the Navy. It should be pointed out that this does not affect in any way the dual compensation law so that persons employed will not be in a position to receive both their retired pay and pay in their active position. It costs nothing to the Government, and gives it an opportunity to employ personnel badly needed, primarily medical personnel.

Mr. ARENDS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That section 2 of Public Law 718, Seventy-ninth Congress, approved August 10, 1946 (60 Stat. 978), is hereby amended by striking the word "five" preceding the word "years" and substituting therefor the word "ten."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### PROGRAM FOR NEXT WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I would like to inquire of the majority leader whether he is in a position to give the program for next week.

Mr. McCORMACK. Yes. The bill amending the Railroad Retirement Act will go over to the week after next, by agreement of the parties. I announce that so that the Members may govern themselves accordingly.

After the announcement of the program I will ask unanimous consent that the Speaker may declare a recess subject to the call of the Chair, the bells to be rung 15 minutes before the House reconvenes, because of the ECA conference report coming up. There may be another conference report that the gentleman from Texas [Mr. TEAGUE] is interested in.

As to the program for next week, on Monday there will be House Resolution 436, giving investigatory power to the Committee on Banking and Currency, and S. 1335, adjusting weights and size, fourth-class postal service.

On Tuesday we will take up H. R. 5505, Customs Simplification Act of 1951, and H. R. 5426, the Armed Forces Reserve Act of 1952, if a rule is reported out.

On Wednesday the military construction appropriation bill will come up. If there is any roll call demanded, I hope, with the permission of the House, that it will go over until Thursday, because Wednesday is a very important Jewish holy day, and we respect the holy days and holidays of all organized religions. After the military construction appropriation bill, if a rule is reported out, we will take up H. R. 5118, the Social Security Act, which was called up under suspension yesterday, and following that H. R. 5411, amendment to the School Act, critical defense housing areas.

Any further program will be announced later. Of course, conference reports may be brought up at any time if they are in order.

Mr. BARDEN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from North Carolina.

Mr. BARDEN. H. R. 5411, the bill to take care of defense housing, I understand, was on the schedule for today. Now, it looks like from that schedule that that is put over until the tail end of next week. That is a very important piece of legislation that the Senate is very much interested in, and the Committee on Education and Labor definitely committed itself to bring that bill into the House for its consideration. I would hate very much to see it continually carried over from one week to the other this near the end of the session. It looks to me like if it was scheduled for today that we could reasonably count on it coming up in its normal place beginning next week.

Mr. McCORMACK. It was scheduled for today dependent upon, of course, other legislation. I made that statement last week. I think if the gentleman will look my remarks over the gentleman will see that while it was put on the program it was with the understanding that other legislation ahead of it was completed, and that does not necessarily mean that it will follow in this program next week.

The customs simplification bill is a very important bill that we have to get through. It is in order now, and I think it should take priority next week. The Armed Forces Reserve bill is one in which everybody is interested, and if a rule is reported out on it, it certainly should take priority. Also, the appropriation bill should take priority.

Mr. BARDEN. Is that rule reported out now?

Mr. McCORMACK. No; but if it is reported out it should take priority.

Mr. BARDEN. I cannot understand why a piece of legislation the House and the country and the departments and the President and everybody else are

definitely interested in getting through should be shoved over beyond a bill for which a rule is not even granted. It just does not add up.

Mr. McCORMACK. In making the program, if a rule were out on the Armed Forces Reserve bill, I would consider that as having priority status. I put it down on the program in case a rule is reported. If a rule does not come out, then, of course, that means that other bills on the program are stepped up.

Mr. BARDEN. May I say to the gentleman that when the House and Senate conferees were in session they sent for me. I went over there and they asked me if I would take that matter up before the Committee on Education and Labor and report its action to the House at once. I committed myself and the committee to that extent. The committee went to work and reported it out. A rule has been granted, and it has been on the program of the House. I am doing all I can to bring it up. If somebody else wants to assume responsibility for its not passing, that is their responsibility.

Mr. McCORMACK. The gentleman from Massachusetts is always willing to take his responsibility. The gentleman has made a program, and despite any thoughts of the gentleman from North Carolina, whose views I respect, the gentleman from Massachusetts is making a program which is consistent with the probable program of next week in relation to priorities. This bill is on the program for next week. This week it could not be reached. The other legislation here, with the possible exception of the social-security bill, is legislation which would take priority over the bill to which the gentleman refers. As far as I am concerned, I have no objection to putting the bill H. R. 5411 ahead of the bill H. R. 5118.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Connecticut.

Mr. MORANO. Will the House meet on Friday, Columbus Day?

Mr. McCORMACK. I am hopeful that arrangements can be made so that Columbus Day may be properly recognized, as always.

#### RECESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order for the Speaker to declare a recess of the House at any time today, subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. The Chair declares a recess, subject to the call of the Chair.

Accordingly (at 1 o'clock and 34 minutes p. m.) the House stood in recess subject to the call of the Chair.

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock and 38 minutes p. m.

#### MUTUAL SECURITY ACT OF 1951

Mr. RICHARDS. Mr. Speaker, I call up the conference report on the bill

(H. R. 5113) to maintain the security and promote the foreign policy, and provide for the general welfare of the United States by furnishing assistance to friendly nations in the interest of international peace and security, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

Mr. SPENCE. Mr. Speaker, I make a point of order against the conference report, but I will be glad to reserve the point of order if the chairman desires me to do so.

Mr. RICHARDS. That is satisfactory to me.

The SPEAKER. Does the gentleman from Kentucky [Mr. SPENCE], reserve his point of order?

Mr. SPENCE. Yes, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina that the statement of the managers on the part of the House be read in lieu of the report.

There was no objection.

The Clerk read the statement.

Mr. RICHARDS (interrupting the reading of the statement). Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with, and that the same be printed in the Record.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, of course, the gentleman will explain the conference report thoroughly?

Mr. RICHARDS. I would like to say to the distinguished minority leader that that is my intention before the matter is finally disposed of.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The conference report and statement are as follows:

#### CONFERENCE REPORT (H. REPT. No. 1090)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5113) to maintain the security and promote the foreign policy and provide for the general welfare of the United States by furnishing assistance to friendly nations in the interest of international peace and security, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'Mutual Security Act of 1951'."

"Sec. 2. The Congress declares it to be the purpose of the Act to maintain the security and to promote the foreign policy of the United States by authorizing military, economic, and technical assistance to friendly countries to strengthen the mutual security and individual and collective defenses of the free world, to develop their resources in the interest of their security and independence and the national interest of the United States and to facilitate the effective participation of those countries in the United Nations system for collective security. The purposes of



the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1571-1604), the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522), and the Act for International Development (22 U. S. C. 1557) shall hereafter be deemed to include this purpose.

#### "TITLE I—EUROPE

"Sec. 101. (a) In order to support the freedom of Europe through assistance which will further the carrying out of the plans for defense of the North Atlantic area, while at the same time maintaining the economic stability of the countries of the area so that they may meet their responsibilities for defense, and to further encourage the economic unification and the political federation of Europe, there are hereby authorized to be appropriated to the President for the fiscal year 1952 for carrying out the provisions and accomplishing the policies and purpose of this Act—

"(1) not to exceed \$5,028,000,000 for assistance pursuant to the provisions of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1571-1604), for countries which are parties to the North Atlantic Treaty and for any country of Europe (other than a country covered by another title of this Act), which the President determines to be of direct importance to the defense of the North Atlantic area and whose increased ability to defend itself the President determines is important to the preservation of the peace and security of the North Atlantic area and to the security of the United States (any such determination to be reported forthwith to the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, and the Committees on Armed Services of the Senate and of the House of Representatives), and not to exceed \$100,000,000 of such appropriation for any selected persons who are residing in or escapees from the Soviet Union, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Albania, Lithuania, Latvia, and Estonia, or the Communist dominated or Communist occupied areas of Germany and Austria, and any other countries absorbed by the Soviet Union either to form such persons into elements of the military forces supporting the North Atlantic Treaty Organization or for other purposes, when it is similarly determined by the President that such assistance will contribute to the defense of the North Atlantic area and to the security of the United States. In addition, unexpended balances of appropriations heretofore made for carrying out the purposes of the Mutual Defense Assistance Act of 1949, as amended, through assistance to any of the countries covered by this paragraph are hereby authorized to be continued available through June 30, 1952, and to be consolidated with the appropriation authorized by this paragraph. Section 408 (c) of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1579), is hereby repealed.

"(2) not to exceed \$1,022,000,000 for assistance pursuant to the provisions of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522) (including assistance to further European military production), for any country of Europe covered by paragraph (1) of this subsection and for any other country covered by section 103 (a) of the said Economic Cooperation Act of 1948, as amended. In addition, unexpended balances of appropriations heretofore made for carrying out the purposes of the Economic Cooperation Act of 1948, as amended, are hereby authorized to be continued available through June 30, 1952, and to be consolidated with the appropriation authorized by this paragraph: Provided, That not to exceed \$10,000,000 of the funds made available pursuant to this paragraph may be utilized to effectuate the principles set forth in sec-

tion 115 (e) of the Economic Cooperation Act of 1948, as amended.

"(b) Not to exceed 10 per centum of the total of the appropriations granted pursuant to this section may be transferred, when determined by the President to be necessary for the purpose of this act, between appropriations granted pursuant to either paragraph of subsection (a): *Provided*, That the amount herein authorized to be transferred shall be determined without reference to any balances of prior appropriations continued available pursuant to this section: *Provided further*, That, whenever the President makes any such determination, he shall forthwith notify the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, and the Committees on Armed Services of the Senate and of the House of Representatives.

#### "TITLE II—NEAR EAST AND AFRICA

"Sec. 201. In order to further the purpose of this Act by continuing to provide military assistance to Greece, Turkey, and Iran, there are hereby authorized to be appropriated to the President for the fiscal year 1952, not to exceed \$396,250,000 for furnishing assistance to Greece and Turkey pursuant to the provisions of the Act of May 22, 1947, as amended (22 U. S. C. 1401-1410), and for furnishing assistance to Iran, pursuant to the provisions of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1571-1604). In addition, unexpended balances of appropriations heretofore made for assistance to Greece and Turkey, available for the fiscal year 1951, pursuant to the Act of May 22, 1947, as amended, and for assistance to Iran pursuant to the Mutual Defense Assistance Act of 1949, as amended, are hereby authorized to be continued available through June 30, 1952, and to be consolidated with the appropriation authorized by this section.

"Sec. 202. Whenever the President determines that such action is essential for the purpose of this Act, he may provide assistance, pursuant to the provisions of the Mutual Defense Assistance Act of 1949, as amended, to any country of the Near East area (other than those covered by section 201) and may utilize not to exceed 10 per centum of the amount made available (excluding balances of prior appropriations continued available) pursuant to section 201 of this Act: *Provided*, That any such assistance may be furnished only upon determination by the President that (1) the strategic location of the recipient country makes it of direct importance to the defense of the Near East area, (2) such assistance is of critical importance to the defense of the free nations, and (3) the immediately increased ability of the recipient country to defend itself is important to the preservation of the peace and security of the area and to the security of the United States.

"Sec. 203. In order to further the purpose of this Act in Africa and the Near East, there are hereby authorized to be appropriated to the President, for the fiscal year 1952, not to exceed \$160,000,000 for economic and technical assistance in Africa and the Near East in areas other than those covered by section 103 (a) of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1502). Funds appropriated pursuant to this section shall be available under the applicable provisions of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522), and of the Act for International Development (22 U. S. C. 1557).

"Sec. 204. Not to exceed \$50,000,000 of the funds authorized under section 203 hereof may be contributed to the United Nations during the fiscal year 1952, for the purposes, and under the provisions, of the United Nations Palestine Refugee Aid Act of 1950 (22 U. S. C. 1556): *Provided*, That, whenever the President shall determine that it would more

effectively contribute to the purposes of the said United Nations Palestine Refugee Aid Act of 1950, he may allocate any part of such funds to any agency of the United States Government to be utilized in furtherance of the purposes of said Act and any amount so allocated shall be a part of the United States contribution to the United Nations Relief and Works Agency for Palestine Refugees in the Near East and shall be so credited by said Agency.

"Sec. 205. In order to assist in the relief of refugees coming into Israel, not to exceed \$50,000,000 of the funds authorized under section 203 hereof may be utilized during the fiscal year 1952, under such terms and conditions as the President may prescribe, for specific refugee relief and resettlement projects in Israel.

#### "TITLE III—ASIA AND PACIFIC

"Sec. 301. In order to carry out in the general area of China (including the Republic of the Philippines and the Republic of Korea) the provisions of subsection (a) of section 303 of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1604 (a)), there are hereby authorized to be appropriated to the President for the fiscal year 1952, not to exceed \$535,250,000. In addition, unexpended balances of appropriations heretofore made for carrying out the provisions of title III of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1602-1604), are hereby authorized to be continued available through June 30, 1952, and to be consolidated with the appropriation authorized by this section. Not to exceed \$50,000,000 of funds appropriated pursuant to this section (excluding balances of appropriations continued available) may be accounted for as provided in subsection (a) of said section 303.

"Sec. 302. (a) In order to further the purpose of this Act through the strengthening of the area covered in section 301 of this Act (but not including the Republic of Korea), there are hereby authorized to be appropriated to the President, for the fiscal year 1952, not to exceed \$237,500,000 for economic and technical assistance in those portions of such area which the President deems to be not under Communist control. Funds appropriated pursuant to authority of this section shall be available under the applicable provisions of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522), and of the Act for International Development (22 U. S. C. 1557). In addition, unexpended balances of funds heretofore made available for carrying out the purposes of the China Area Aid Act of 1950 (22 U. S. C. 1547), are hereby authorized to be continued available through June 30, 1952, and to be consolidated with the appropriation authorized by this section.

"(b) The third proviso of section 202 of the China Area Aid Act of 1950 is amended by inserting 'and of Korea' after 'selected citizens of China' the first time it appears therein.

"Sec. 303. (a) In order to provide for a United States contribution to the United Nations Korean Reconstruction Agency, established by the resolution of the General Assembly of the United Nations of December 1, 1950, there are hereby authorized to be appropriated to the President not to exceed \$45,000,000. In addition, unobligated balances of the appropriations heretofore made, and available during the fiscal year 1951, for assistance to Korea under authority of the Far Eastern Economic Assistance Act of 1950, as amended (22 U. S. C. 1543, 1551, 1552), are hereby authorized to be continued available through June 30, 1952, and to be consolidated with the appropriation authorized by this section. Not to exceed 50 per centum of the total of the appropriations authorized by this section may, when determined by the President to be necessary for the purpose of this Act, be transferred to and

consolidated with the appropriation authorized by paragraph 302 (a).

"(b) The sums made available pursuant to subsection (a) may be contributed from time to time on behalf of the United States in such amounts as the President determines to be appropriate to support those functions of the United Nations Korean Reconstruction Agency which the military situation in Korea permits the Agency to undertake pursuant to arrangements between the Agency and the United Nations Unified Command. The aggregate amount which may be contributed on behalf of the United States pursuant to the preceding sentence shall be reduced by the value of goods and services made available to Korea by any department or agency of the United States for relief and economic assistance after the assumption of responsibility for relief and rehabilitation operations in Korea by the United Nations Korean Reconstruction Agency.

"(c) The provisions of subsections 304 (a) and (b) of the United Nations Palestine Refugee Aid Act of 1950 (22 U. S. C. 1556 (b)) are hereby made applicable with respect to Korean assistance furnished under this section.

"(d) Unencumbered balances of sums heretofore or hereafter deposited in the special account established pursuant to paragraph (2) of article V of the agreement of December 10, 1948, between the United States of America and the Republic of Korea (62 Stat., part 3, 3788) shall be used in Korea for such purposes as the President determines to be consistent with United Nations programs for assistance to Korea and as may be agreed to between the Government of the United States and the Republic of Korea.

"(e) The functions of the Administrator for Economic Cooperation under the provisions of section 3 of the Far Eastern Economic Assistance Act of 1950, as amended (22 U. S. C. 1551), shall hereafter be performed by such departments or agencies of the Government as the President shall direct.

#### "TITLE IV—AMERICAN REPUBLICS

"SEC. 401. In order to further the purpose of this Act through the furnishing of military assistance to the other American Republics, there are hereby authorized to be appropriated to the President, for the fiscal year 1952, not to exceed \$38,150,000 for carrying out the purposes of this section under the provisions of the Mutual Defense Assistance Act of 1949, as amended: *Provided*, That such assistance may be furnished only in accordance with defense plans which are found by the President to require the recipient country to participate in missions important to the defense of the Western Hemisphere. Any such assistance shall be subject to agreements, as provided herein and as required by section 402 of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1573), designed to assure that the assistance will be used to promote the defense of the Western Hemisphere; and after agreement by the Government of the United States and the country concerned with respect to such missions, military assistance hereunder shall be furnished only in accordance with such agreement.

"SEC. 402. In order to further the purpose of this Act among the peoples of the American Republics through the furnishing of technical assistance, there are hereby authorized to be appropriated to the President, for the fiscal year 1952, not to exceed \$21,250,000 for assistance under the provisions of the Act for International Development (22 U. S. C. 1557) and of the Institute of Inter-American Affairs Act, as amended (22 U. S. C. 281).

#### "TITLE V—ORGANIZATION AND GENERAL PROVISIONS

##### "Unified direction of program

"SEC. 501. (a) In order that the programs of military, economic, and technical assistance authorized by this Act may be admin-

istered as parts of a unified program in accordance with the intent of Congress and to fix responsibility for the coordination and supervision of these programs in a single person, the President is authorized to appoint in the Executive Office of the President a Director for Mutual Security. The Director, on behalf of the President and subject to his direction, shall have primary responsibility for—

"(1) continuous supervision and general direction of the assistance programs under this Act to the end that such programs shall be (A) effectively integrated both at home and abroad, and (B) administered so as to assure that the defensive strength of the free nations of the world shall be built as quickly as possible on the basis of continuous and effective self-help and mutual aid;

"(2) preparation and presentation to the Congress of such programs of foreign military, economic, and technical assistance as may be required in the interest of the security of the United States;

"(3) preparation for the President of the report to the Congress required by section 518 of this Act.

"(b) Except as otherwise provided by this Act, the Director shall not hold any other office or employment under the United States and shall not have any other responsibilities except those directly related to the coordination, supervision, and direction, of the programs covered by this Act or otherwise conferred upon him by law.

"(c) The Director shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of \$22,500 per annum.

"(d) For the purpose of carrying out the provisions of this section, the President is authorized to utilize the positions created in subsection 406 (e) of the Mutual Defense Assistance Act of 1949, as amended. No person may serve in any such position under this subsection while at the same time he is an officer or employee of any other department or agency of the Government.

"(e) (1) The fourth paragraph of section 101 (a) of the National Security Act of 1947, as amended (50 U. S. C. 402 (a)), is amended by inserting after clause (4) the following:

"(5) the Director for Mutual Security; and by renumbering clauses (5) and (6) thereof as clauses (6) and (7), respectively.

"(2) Section 4 (a) of Public Law 171, Seventy-ninth Congress, as amended (59 Stat. 512), is amended by striking out 'Economic Cooperation Administration' and inserting in lieu thereof 'Mutual Security Agency' and by striking out 'Administrator for Economic Cooperation' and inserting in lieu thereof 'Director for Mutual Security'.

"(3) Paragraph (1) of section 3 (a) of the Export-Import Bank Act of 1945, as amended (12 U. S. C. 635a (a) (1)), is amended by inserting after the words 'Secretary of State,' where they appear in the first sentence thereof, the words 'the Director for Mutual Security,' and by striking out the last sentence of such paragraph and inserting in lieu thereof the following: 'To the extent he deems it advisable the Secretary of State or the Director for Mutual Security, as the case may be, may designate to act for him in the discharge of his duties as a member of the Board of Directors any officer of his Department or Agency who shall have been appointed by the President by and with the advice and consent of the Senate. The Director for Mutual Security shall not be considered to be a member of the Board of Directors for the purposes of the first sentence of paragraph (3) of this subsection or for the purposes of subsection (b).'

##### "Mutual Security Agency

"SEC. 502. (a) The Economic Cooperation Administration and the offices of Administrator for Economic Cooperation, Deputy Administrator, United States Special Repre-

sentative in Europe, and Deputy Special Representative are hereby abolished.

"(b) To assist in carrying out the purpose of this Act—

"(1) there is hereby established, with its principal office at the seat of the government, a Mutual Security Agency, hereinafter referred to as the Agency, which shall be headed by the Director for Mutual Security; and

"(2) there shall be transferred to the Director the powers, functions, and responsibilities conferred upon the Administrator for Economic Cooperation by the Economic Cooperation Act of 1948, as amended, and by any other law, but no such powers, functions, and responsibilities shall be exercised after June 30, 1952, except as provided in subsection (c) of this section.

"(c) Not later than April 1, 1952, the President shall inform the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives which of the powers, functions, and responsibilities transferred to the Director by subsection (b) (2) are found by the President to be necessary to enable the Director after June 30, 1952, to carry out the duties conferred upon him by section 503. The termination provisions of section 122 of the Economic Cooperation Act of 1948, as amended, shall come into effect on June 30, 1952, and none of the powers, functions, and responsibilities conferred by that Act shall be exercised after that date, except those powers, functions, and responsibilities found necessary to enable the Director to carry out the duties conferred on him by section 503 of this Act, which powers, functions, and responsibilities unless otherwise provided by law shall continue in effect until June 30, 1954.

##### "Additional duties of Director for Mutual Security

"SEC. 503. After June 30, 1952, the Director, on behalf of the President and subject to his direction, shall, in consultation with the Secretaries of State and Defense, continue to have primary responsibility for—

"(a) the development and administration of programs of assistance designed to sustain and increase military effort, including production, construction, equipment and matériel in each country or in groups of countries which receive United States military assistance;

"(b) the provision of such equipment, materials, commodities, services, financial, or other assistance as he finds to be necessary for carrying out mutual defense programs; and

"(c) the provision of limited economic assistance to foreign nations for which the United States has responsibility as a result of participation in joint control arrangements when the President finds that the provision of such economic assistance is in the interest of the security of the United States.

##### "Appointment and transfer of personnel

"SEC. 504. (a) To carry out the functions conferred by sections 502 and 503 of this Act, there shall be in the Agency a Deputy Director, a Special Representative in Europe, and a Deputy Special Representative in Europe, who shall be appointed by the President by and with the advice and consent of the Senate, and shall have status and receive compensation comparable to the equivalent positions under the Economic Cooperation Act of 1948, as amended.

"(b) Any personnel of the Economic Cooperation Administration, upon the certification of the Director for Mutual Security and with the approval of the Director of the Bureau of the Budget that such personnel are necessary to carry out the functions of the Director for Mutual Security, and all records and property of such Administration which the Director of the Bureau of the Budget determines are used primarily in the administration of the powers and functions



transferred to the Director for Mutual Security by this Act, shall be transferred to the Mutual Security Agency.

"(c) Of the personnel transferred to or employed by the Mutual Security Agency, not to exceed fifty may be compensated at rates higher than those provided for grade 15 of the general schedule established by the Classification Act of 1949, as amended, and of these, not to exceed fifteen may be compensated at a rate in excess of the highest rate provided for grades of such general schedule but not in excess of \$15,000 per annum. Such positions shall be in addition to the number authorized by section 505 of the Classification Act of 1949, as amended.

"(d) On and after January 1, 1952, the number of United States citizens employed by the Mutual Security Agency shall be at least 10 per centum less than the number employed by the Economic Cooperation Administration on August 31, 1951: *Provided*, That the Director for Mutual Security shall cause studies to be made from time to time for the purpose of determining whether further reductions in personnel are feasible and consistent with the accomplishment of the purposes of this Act.

#### *"The Secretary of State"*

"SEC. 505. Nothing contained in this Act shall be construed to infringe upon the powers or functions of the Secretary of State.

#### *"The Secretary of Defense"*

"SEC. 506. (a) In the case of aid under this Act for military end items and related technical assistance and advice, the Secretary of Defense shall have primary responsibility and authority for—

- "(1) the determination of military end-item requirements;
- "(2) the procurement of military equipment in a manner which permits its integration with service programs;
- "(3) the supervision of end-item use by the recipient countries;
- "(4) the supervision of the training of foreign military personnel; and
- "(5) the movement and delivery of military end items.

"(b) The establishment of priorities in the procurement, delivery, and allocation of military equipment shall be determined by the Secretary of Defense. The apportionment of funds between countries shall be determined by the President.

"(c) Notwithstanding any other provision of law, during the fiscal year 1952 the Secretary of Defense may furnish (subject to reimbursement from funds appropriated pursuant to this Act) military assistance out of the materials of war whose production in the United States shall have been authorized for, and appropriated to, the Department of Defense: *Provided, however*, That nothing in this Act shall authorize the furnishing of military items under this subsection in excess of \$1,000,000,000 in value. For the purposes of this subsection (1) 'value' shall be determined in accordance with section 402 (c) of the Mutual Defense Assistance Act of 1949, as amended, and (2) the term 'materials of war' means those goods, commonly known as military items, which are required for the performance of their missions by armed forces of a nation, including weapons, military vehicles, ships of war under fifteen hundred tons, aircraft, military communications equipment, ammunition, maintenance parts and spares, and military hardware.

#### *"Overseas coordination"*

"SEC. 507. The President shall prescribe appropriate procedures to assure coordination among representatives of the United States Government in each country, under the leadership of the Chief of the United States Diplomatic Mission.

#### *"Relationship to Technical Cooperation Administration and Institute of Inter-American Affairs"*

"SEC. 508. Nothing in this Act shall be construed to modify the provisions of section 412 of the Act for International Development or the provisions of the Institute of Inter-American Affairs Act.

#### *"Detail of personnel to foreign governments and international organizations"*

"SEC. 509. Whenever the President determines it to be consistent with and in furtherance of the purpose of this Act, the head of any Government agency is authorized to—

"(a) detail or assign any officer or employee of his agency to any office or position to which no compensation is attached with any foreign government or foreign government agency: *Provided*, That such acceptance of office shall in no case involve the taking of an oath of allegiance to another government; and

"(b) detail, assign, or otherwise make available to any international organization in which the United States participates, any officer or employee of his agency to serve with or as a member of the international staff of such organizations.

"Any such officer or employee, while so assigned or detailed, shall be considered, for the purpose of preserving his privileges, rights, seniority, or other benefits as such, an officer or employee of the Government of the United States and of the Government agency from which assigned or detailed, and he shall continue to receive compensation, allowances, and benefits from funds made available to that agency out of funds authorized under this Act.

#### *"Security clearance"*

"SEC. 510. No citizen or resident of the United States may be employed, or if already employed, may be assigned to duties by the Director or the Secretary of State under this Act or the Act for International Development for a period to exceed three months unless (a) such individual has been investigated as to loyalty and security by the Federal Bureau of Investigation and a report thereon has been made to the Director or the Secretary of State, as the case may be, and until the Director or the Secretary of State has certified in writing (and filed copies thereof with the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs) that, after full consideration of such report, he believes such individual is loyal to the United States, its Constitution, and form of government, and is not now and has never been a member of any organization advocating contrary views; or (b) such individual has been investigated by a military intelligence agency and the Secretary of Defense has certified in writing that he believes such individual is loyal to the United States and filed copies thereof with the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs. This section shall not apply in the case of any officer appointed by the President by and with the advice and consent of the Senate, nor shall it apply in the case of any person already employed under programs covered by this Act who has been previously investigated in connection with such employment.

#### *"Eligibility for assistance"*

"SEC. 511. (a) No military, economic, or technical assistance authorized pursuant to this Act (other than assistance provided under section 408 (e) of the Mutual Defense Assistance Act of 1949, as amended) shall be supplied to any nation in order to further military effort unless the President finds that the supplying of such assistance will strengthen the security of the United States

and unless the recipient country has agreed to—

"(1) join in promoting international understanding and good will, and maintaining world peace;

"(2) take such action as may be mutually agreed upon to eliminate causes of international tension;

"(3) fulfill the military obligations which it has assumed under multilateral or bilateral agreements or treaties to which the United States is a party;

"(4) make, consistent with its political and economic stability, the full contribution permitted by its manpower, resources, facilities, and general economic condition to the development and maintenance of its own defensive strength and the defensive strength of the free world;

"(5) take all reasonable measures which may be needed to develop its defense capacities; and

"(6) take appropriate steps to insure the effective utilization of the economic and military assistance provided by the United States.

"(b) No economic or technical assistance shall be supplied to any other nation unless the President finds that the supplying of such assistance will strengthen the security of the United States and promote world peace, and unless the recipient country has agreed to join in promoting international understanding and good will, and in maintaining world peace, and to take such action as may be mutually agreed upon to eliminate causes of international tension.

#### *"Future authorizations"*

"SEC. 512. In order to carry out the purpose of this Act, with respect to those countries eligible to receive assistance as provided herein, funds shall be available as authorized and appropriated to the President each fiscal year.

#### *"Transferability between titles"*

"SEC. 513. Whenever the President determines it to be necessary for the purpose of this Act, not to exceed 10 per centum of the funds made available under any title of this Act may be transferred to and consolidated with funds made available under any other title of this Act in order to furnish, to a different area, assistance of the kind for which such funds were available before transfer. Whenever the President makes any such determination, he shall forthwith notify the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives. In the case of the transfer of funds available for military purposes, he shall also forthwith notify the Committees on Armed Services of the Senate and House of Representatives.

#### *"Strategic materials"*

"SEC. 514. In order to promote the increased production, in areas covered by this Act, of materials in which the United States is deficient, not to exceed \$55,000,000 of the funds authorized to be appropriated pursuant to section 101 (a) (2) of this Act may be used pursuant to the authority contained in the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522).

#### *"Protection against attachment"*

"SEC. 515. All countries participating in any United States aid program or in any international organization receiving United States aid shall be required to so deposit, segregate, or assure title to all funds allocated to or derived from any program so that the same shall not be subject to garnishment, attachment, seizure, or other legal process by any person, firm, agency, corporation, organization, or government when in the opinion of the Director any such action

would interfere with the attainment of the objectives of this Act.

#### *"Encouragement of free enterprise"*

"Sec. 516. It is hereby declared to be the policy of the Congress that this Act shall be administered in such a way as (1) to eliminate the barriers to, and provide the incentives for, a steadily increased participation of free private enterprise in developing the resources of foreign countries consistent with the policies of this Act, (2) to the extent that it is feasible and does not interfere with the achievement of the purposes set forth in this Act, to discourage the cartel and monopolistic business practices prevailing in certain countries receiving aid under this Act which result in restricting production and increasing prices, and to encourage where suitable competition and productivity, and (3) to encourage where suitable the development and strengthening of the free labor union movements as the collective bargaining agencies of labor within such countries.

#### *"Patents and technical information"*

"Sec. 517. (a) As used in this section—  
 "(1) the term 'invention' means an invention or discovery covered by a patent issued by the United States, and  
 "(2) the term 'information' means information originated by or peculiarly within the knowledge of the owner thereof and those in privity with him, which is not available to the public and is subject to protection as property under recognized legal principles.

"(b) Whenever, in connection with the furnishing of any assistance in furtherance of the purpose of this Act—  
 "(1) use within the United States, without authorization by the owner, shall be made of an invention, or  
 "(2) damage to the owner shall result from the disclosure of information by reason of acts of the United States or its officers or employees,

the exclusive remedy of the owner of such invention or information shall be by suit against the United States in the Court of Claims or in the District Court of the United States for the district in which such owner is a resident for reasonable and entire compensation for unauthorized use or disclosure. In any such suit the United States may avail itself of any and all defenses, general or special, that might be pleaded by any defendant in a like action.  
 "(c) Before such suit against the United States has been instituted, the head of the appropriate department or agency of the Government, which has furnished any assistance in furtherance of the purposes of this Act, is authorized and empowered to enter into an agreement with the claimant, in full settlement and compromise of any claim against the United States hereunder.  
 "(d) The provisions of the last sentence of section 1498 of Title 28 of the United States Code shall apply to inventions and information covered by this section.  
 "(e) Except as otherwise provided by law, no recovery shall be had for any infringement of a patent committed more than six years prior to the filing of the complaint or counterclaim for infringement in the action, except that the period between the date of receipt by the Government of a written claim under subsection (c) above for compensation for infringement of a patent and the date of mailing by the Government of a notice to the claimant that his claim has been denied shall not be counted as part of the six years, unless suit is brought before the last-mentioned date.

"(c) Before such suit against the United States has been instituted, the head of the appropriate department or agency of the Government, which has furnished any assistance in furtherance of the purposes of this Act, is authorized and empowered to enter into an agreement with the claimant, in full settlement and compromise of any claim against the United States hereunder.

"(d) The provisions of the last sentence of section 1498 of Title 28 of the United States Code shall apply to inventions and information covered by this section.

"(e) Except as otherwise provided by law, no recovery shall be had for any infringement of a patent committed more than six years prior to the filing of the complaint or counterclaim for infringement in the action, except that the period between the date of receipt by the Government of a written claim under subsection (c) above for compensation for infringement of a patent and the date of mailing by the Government of a notice to the claimant that his claim has been denied shall not be counted as part of the six years, unless suit is brought before the last-mentioned date.

#### *"Reports"*

"Sec. 518. The President, from time to time while funds appropriated for the purpose of this Act continue to be available for obligation, shall transmit to the Congress, in

lieu of any reports otherwise required by laws continued in effect by this Act, reports covering each six months of operations in furtherance of the purpose of this Act, except information the disclosure of which he deems incompatible with the security of the United States. The first such report shall cover the six-month period commencing on the date this Act becomes effective. Reports provided for under this section shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be, if the Senate or the House of Representatives, as the case may be, is not in session.

#### *"Local currency"*

"Sec. 519. (a) Upon a determination by the Director that it will further the purpose of this Act, not to exceed \$10,000,000 of the funds made available pursuant to section 203 of this Act and not to exceed \$25,000,000 of funds made available pursuant to section 302 of this Act may be advanced to countries covered by said sections in return for equivalent amounts of the currency of such countries being made available to meet local currency needs of the aid programs in such countries pursuant to agreements made in advance with the United States: *Provided*, That except when otherwise prescribed by the Director as necessary to the effective accomplishment of the aid programs in such countries, all funds so advanced shall be held under procedures set out in such agreements until used to pay for goods and services approved by the United States or until repaid to the United States for reimbursement to the appropriation from which drawn.  
 "(b) In order to assist in carrying out the provisions of the Economic Cooperation Act of 1948, as amended, not to exceed \$50,000,000 of funds made available under the authority of this Act for assistance pursuant to the provisions of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522), may be used to acquire local currency for the purpose of increasing the production of materials in which the United States is deficient.

#### *"Guaranties"*

"Sec. 520. Funds realized from the sales of notes pursuant to section 111 (c) (2) of the Economic Cooperation Act of 1948, as amended, shall be available for making guaranties of investments in accordance with the applicable provisions of sections 111 (b) (3) and 111 (c) (2) of the Economic Cooperation Act, as amended, in any area in which assistance is authorized by this Act.

#### *"Administrative expenses"*

"Sec. 521. Funds made available for carrying out the provisions of title I of this Act shall be available for United States participation in the acquisition or construction of facilities in foreign countries for collective defense: *Provided*, That no part of such funds shall be expended for rental or purchase of land or for payment of taxes. Such funds shall also be available for the administrative expenses of carrying out the purposes of all of the titles of this Act, including expenses incident to United States participation in international security organizations and expenses in the United States in connection with programs authorized under the Act for International Development. Any currency of any nation received by the United States for its own use in connection with assistance furnished by the United States may be used by any agency of the Government without reimbursement from any appropriation for the administrative and operating expenses of carrying out the purposes of this Act. Funds made available for carrying out the purposes of this Act in the Federal Republic of Germany may, as authorized in subsection 114 (h) of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1512 (h)), be transferred by the

President to any department or agency for the expenses necessary to meet the responsibilities and obligations of the United States in the Federal Republic of Germany.

#### *"Loans"*

"Sec. 522. Section 111 (c) of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522), is hereby amended by adding a new paragraph as follows:

"(3) Of the assistance provided under the applicable provisions of this Act with funds made available under the authority of the Mutual Security Act of 1951, as great an amount (in no event less than 10 per centum) as possible shall be provided on credit terms."

#### *"Use of counterpart"*

"Sec. 523. Section 115 (b) (6) of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1513 (b) (6)), is hereby amended by—

"(a) inserting in the second proviso thereof after 'wealth' the following: 'for the encouragement of emigration pursuant to subsection (e) of this section';

"(b) adding in the last clause of the second proviso 'and operating' after 'administrative';

"(c) striking from the last clause of the second proviso 'within such country';

"(d) substituting in the fourth proviso the words 'upon termination of assistance to such country under this Act' in place of the words 'on June 30, 1952'; and

"(e) adding at the end thereof the following new sentences: 'The Administrator shall exercise the power granted to him by this paragraph to make agreements with respect to the use of the funds deposited in the special accounts of "participating countries" (as defined in section 103 (a) hereof) and any other countries receiving assistance under the Mutual Defense Assistance Act of 1949, as amended, in such a manner that the equivalent of not less than \$500,000,000 of such funds shall be used exclusively for military production, construction, equipment, and matériel in such countries. The amount to be devoted from each such special account for such use shall be agreed upon by the Administrator and the country or countries concerned.'

#### *"Return of equipment"*

"Sec. 524. The President shall make appropriate arrangements with each nation receiving equipment or material under the Mutual Defense Assistance Act of 1949, as amended (other than equipment or material furnished under terms requiring the nation to reimburse the United States in full therefor), for the return to the United States (1) for salvage or scrap, or (2) for such other disposition as the President shall deem to be in the interest of mutual security, of any such equipment or material as is no longer required for the purposes for which originally made available.

#### *"Reimbursable aid"*

"Sec. 525. Section 408 (e) of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1580), is hereby amended by adding in the first proviso thereof, after the words 'of which it is a part,' the words 'or in United Nations collective security arrangements and measures,' and by changing the figure at the end of such section 408 (e) to '\$500,000,000'.

#### *"Excess equipment"*

"Sec. 526. The proviso in the first sentence of section 403 (d) of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1574 (d)), is hereby amended to read as follows: 'Provided, That after June 30, 1950, such limitation shall be increased by \$250,000,000 and after June 30, 1951, by an additional \$300,000,000'.



*"Congressional committee expenses"*

"Sec. 527. Section 115 (h) of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1513 (h)) is amended by inserting before the period at the end thereof a comma and the following: 'including local currency requirements of appropriate committees of the Congress engaged in carrying out their duties under section 136 of the Legislative Reorganization Act of 1946'."

*"United Nations technical assistance"*

"Sec. 528. The Act for International Development is amended—

"(a) By adding before the period at the end of section 404 (b) the following: 'Provided, That for the fiscal year ending June 30, 1952, such contributions from funds made available under authority of sections 101 (a) (2), 203, 302, and 402 of the Mutual Security Act of 1951 shall not exceed in the aggregate \$13,000,000, and the use of such contributions shall not be limited to the area covered by the section of the Act from which the funds are drawn'."

"(b) By adding at the end of section 407 a new paragraph:

"(d) Participating countries shall be encouraged to establish fair labor standards of wages and working conditions and management-labor relations."

"(c) By repealing section 414."

*"Termination of assistance by President"*

"Sec. 529. If the President determines that the furnishing of assistance to any nation—

"(a) is no longer consistent with the national interest or security of the United States or the policies and purpose of this Act; or

"(b) would contravene a decision of the Security Council of the United Nations; or

"(c) would be inconsistent with the principle that members of the United Nations should refrain from giving assistance to any nation against which the Security Council or the General Assembly has recommended measures in case of a threat to, or breach of, the peace, or act of aggression,

he shall terminate all or part of any assistance furnished pursuant to this Act. The function conferred herein shall be in addition to all other functions heretofore conferred with respect to the termination of military, economic, or technical assistance."

*"Expiration of program"*

"Sec. 530. (a) After June 30, 1954, or after the date of the passage of a concurrent resolution by the two Houses of Congress before such date, none of the authority conferred by this Act or by the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1571-1604) may be exercised; except that during the twelve months following such date equipment, materials, commodities, and services with respect to which procurement for, shipment to, or delivery in a recipient country had been authorized prior to such date, may be transferred to such country, and funds appropriated under authority of this Act may be obligated during such twelve-month period for the necessary expenses of procurement, shipment, delivery, and other activities essential to such transfer and shall remain available during such period for the necessary expenses of liquidating operations under this Act."

"(b) At such time as the President shall find appropriate after such date, and prior to the expiration of the twelve months following such date, the powers, duties, and authority conferred by this Act and by the Mutual Defense Assistance Act of 1949, as amended, may be transferred for the purpose of liquidation to such other departments, agencies, or establishments of the Government as the President shall specify, and the relevant funds, records, property and personnel may be transferred to the departments, agencies, or establishments to which the related functions are transferred."

*"Effective date"*

"Sec. 531. Sections 502 (a), (b) (2), and section 504 (b) of this Act shall take effect on such date or dates as the President shall specify, but in no event later than sixty days after the date the Director first appointed takes office. Section 511 shall take effect ninety days after enactment of this Act. All other provisions of this Act shall take effect upon the date of its enactment."

And the Senate agree to the same.

J. P. RICHARDS,  
MIKE MANSFIELD,  
THOMAS E. MORGAN,  
JOHN M. VOYES,  
FRANCES P. BOLTON,

*Managers on the Part of the House.*

TOM CONNALLY,  
THEODORE FRANCIS GREEN,  
BRIEN MCMAHON,  
RICHARD B. RUSSELL,  
ALEXANDER WILEY,  
H. ALEXANDER SMITH,  
LEVERETT SALTONSTALL,

*Managers on the Part of the Senate.**STATEMENT*

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5113) to maintain the security and promote the foreign policy and provide for the general welfare of the United States by furnishing assistance to friendly nations in the interest of international peace and security, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate struck out all of the House bill after the enacting clause and inserted a substitute amendment. The committee of conference has agreed to a substitute for both the House bill and the Senate amendment. Except for clarifying, clerical, and necessary conforming changes, the differences are noted below:

*THE FUND AUTHORIZATIONS**(a) Totals*

The total amount authorized in the House bill was \$7,498,750,000. The amount authorized by the Senate amendment was \$7,286,250,000, or a total of \$212,500,000 less.

The committee of conference has agreed on a total of \$7,483,400,000. This amount is \$15,350,000 less than the total authorized by the House, \$197,150,000 more than the total authorized by the Senate, and \$1,016,600,000 or 11.96 percent less than the \$8,500,000,000 requested by the President.

The agreement provides for all titles a total of \$5,997,650,000 for military assistance and a total of \$1,485,750,000 for economic assistance. In totals, the military assistance funds are \$15,350,000 less than the total in the House bill, and the economic assistance funds are the same as the amounts approved by the House.

The distribution between titles represents the adjustment made by the committee of conference. In no case does any authorization in the conference agreement exceed a figure authorized by either the House bill or the Senate amendment.

Generally speaking, the agreement restored funds for Europe and Asia, leaving the amounts for the Near East and the American Republics the same as those approved by the Senate. In the opinion of the committee of conference, Europe and Asia are the areas where the present need for assistance is most urgent.

*(b) Title I—Europe (sec. 101)*

The amounts agreed upon are \$5,028,000,000 for military assistance and \$1,022,000,000 for economic assistance.

The amount of military assistance funds is the amount authorized by the House and \$21,650,000 more than the Senate amount.

The amount authorized for economic assistance is \$18,000,000 less than the House amount when calculated on the base comparable to that on which the Senate amount is calculated. The amount agreed upon is \$141,500,000 more than the Senate amount.

At first glance, the agreed amount appears to be more than that authorized by the House. The apparent discrepancy is in the different base used for calculation by House and Senate. The Senate amount was \$880,500,000, including the \$55,000,000 for strategic materials. On this basis, the House amount would be \$1,040,000,000, consisting of \$985,000,000 for Europe and \$55,000,000 for strategic-material development contained in a separate authorization in title VI of the House bill. Since the conference agreement provided that funds for strategic materials are to come from title I funds, the amount agreed upon is calculated in relation to comparable House and Senate figures. On this basis, the agreed amount is actually \$18,000,000 less than the comparable House amount.

The committee of conference was fully convinced that the threat in Europe, and the necessity for all possible speed and utmost effort to get the European economies converted to military production, gave this area special emphasis in any agreement on funds. In view of General Eisenhower's message to Chairman James P. Richards emphasizing this point, and the urgency of getting European production to the point where United States end-item assistance can be reduced, the committee of conference felt justified in authorizing funds for Europe at the expense of some other areas.

*Title II—Near East and Africa (secs. 201 and 203)*

The amounts agreed upon are \$396,250,000 for military assistance and \$160,000,000 for economic assistance. These are the amounts approved by the Senate. The military funds are \$18,750,000 less than the House amount; and the economic funds are \$15,000,000 less. The authorizations to use \$50,000,000 for Palestine refugees and \$50,000,000 for Israel refugees have not been changed.

*Title III—Asia and Pacific (secs. 301-303)*

The amounts agreed upon are \$535,250,000 for military assistance, and \$282,500,000 for economic assistance. The economic assistance funds consist of \$237,500,000 for general economic assistance and \$45,000,000 for Korean rehabilitation work.

The \$535,250,000 for military assistance is the amount the Senate approved, and is \$5,250,000 more than the House-approved amount. The committee of conference felt that the critical situation in Indochina and other areas of Asia made the higher amount necessary.

The \$237,500,000 for general economic assistance is the amount approved by the House.

The \$45,000,000 for Korean rehabilitation represents a compromise between the token amount of \$11,250,000 voted by the House and \$69,750,000 voted by the Senate. The committee of conference agreed that although Korean rehabilitation cannot proceed at once, the amount available should be sufficient to enable planning and financial operations to go forward.

It is recognized, however, that the requirements for Korean rehabilitation cannot at this time be fixed with any precision. Undoubtedly, the United States will be called upon in the future to assist in this matter. The amount agreed upon does not foreclose further requests; neither is it an assurance that this country will in the future shoulder the major burden of resolving this problem.

The conference agreement contains a provision permitting the transfer of up to 50 percent (\$22,500,000) of the funds for Korea to general economic and technical assistance in those parts of the region not under Com-

munist control. The importance of strengthening the region against the encroachment of Communist aggression on many fronts made this provision desirable.

#### Title IV—American Republics (secs. 401-402)

The amounts agreed upon are \$38,150,000 for military assistance and \$21,250,000 for economic assistance. These are the Senate-approved amounts, a total of \$2,600,000 less than the amount approved by the House.

The following tables show the breakdown of the agreed amounts:

TABLE I.—Authorizations, by title

Title I—Europe:	
Military.....	\$5,028,000,000
Economic.....	1,022,000,000
Total.....	6,050,000,000

TABLE I.—Authorizations, by title—Con.

Title II—Near East and Africa:	
Military.....	\$396,250,000
Economic.....	160,000,000
Total.....	556,250,000
Title III—Asia and Pacific:	
Military.....	535,250,000
Economic:	
All but Korea.....	237,500,000
Korea.....	45,000,000
Subtotal (economic).....	282,500,000
Total.....	817,750,000

TABLE I.—Authorizations, by title—Con.

Title IV—American Republics:	
Military.....	\$38,150,000
Economic.....	21,250,000
Total.....	59,400,000
Grand total.....	7,483,400,000

TABLE II.—Authorizations, by type

	Military	Economic	Total
Title I.....	\$5,028,000,000	\$1,022,000,000	\$6,050,000,000
Title II.....	396,250,000	160,000,000	556,250,000
Title III.....	535,250,000	282,500,000	817,750,000
Title IV.....	38,150,000	21,250,000	59,400,000
Total.....	5,997,650,000	1,485,750,000	7,483,400,000

TABLE III.—Authorizations, by comparisons

Item	President's request	House amounts	Senate amounts	Conference agreement	Conference agreement differences					
					More or less than request		More or less than House bill		More or less than Senate amendment	
					Amount	Percent	Amount	Percent	Amount	Percent
Title I—Europe:										
Military.....	\$5,293,000,000	\$5,028,000,000	\$5,006,350,000	\$5,028,000,000	\$265,000,000 less	5.00 less	None	-----	\$21,650,000 more	0.43 more
Economic.....	1,675,000,000	1,040,000,000	1,880,500,000	1,022,000,000	653,000,000 less	38.98 less	\$18,000,000 less	1.73 less	141,500,000 more	16.07 more
Total.....	6,968,000,000	6,068,000,000	5,886,850,000	6,050,000,000	918,000,000 less	13.17 less	18,000,000 less	.25 less	163,150,000 more	2.77 more
Title II—Near East and Africa:										
Military.....	415,000,000	415,000,000	396,250,000	396,250,000	18,750,000 less	4.51 less	18,750,000 less	4.51 less	None	-----
Economic.....	125,000,000	175,000,000	160,000,000	160,000,000	35,000,000 more	28.00 more	15,000,000 less	8.57 less	None	-----
Total.....	540,000,000	590,000,000	556,250,000	556,250,000	16,250,000 more	3.00 more	33,750,000 less	5.72 less	None	-----
Title III—Asia and Pacific:										
Military.....	555,000,000	530,000,000	535,250,000	535,250,000	19,750,000 less	3.55 less	5,250,000 more	.99 more	None	-----
Economic:										
All but Korea.....	262,500,000	237,500,000	178,750,000	237,500,000	25,000,000 less	9.52 less	None	-----	58,750,000 more	32.86 more
Korea.....	112,500,000	11,250,000	69,750,000	45,000,000	67,500,000 less	60.00 less	33,750,000 more	300.00 more	24,750,000 less	35.48 less
Subtotal (economic).....	375,000,000	248,750,000	248,500,000	282,500,000	92,500,000 less	24.66 less	33,750,000 more	13.56 more	34,000,000 more	13.68 more
Total.....	930,000,000	778,750,000	783,750,000	817,750,000	112,500,000 less	12.06 less	39,000,000 more	5.00 more	34,000,000 more	4.33 more
Title IV—American Republics:										
Military.....	40,000,000	40,000,000	38,150,000	38,150,000	1,850,000 less	4.62 less	1,850,000 less	4.62 less	None	-----
Economic.....	22,000,000	22,000,000	21,250,000	21,250,000	750,000 less	3.40 less	750,000 less	3.40 less	None	-----
Total.....	62,000,000	62,000,000	59,400,000	59,400,000	2,600,000 less	4.19 less	2,600,000 less	4.19 less	None	-----
Grand total.....	8,500,000,000	7,498,750,000	7,286,250,000	7,483,400,000	1,016,600,000 less	11.96 less	15,350,000 less	0.20 less	197,150,000 more	2.70 more

<sup>1</sup> Includes authorizations for strategic material development.

Transfer of funds under title I (sec. 101 (a) (1)): The conference agreement repeals section 408 (c) of the Mutual Defense Assistance Act, as amended. That section permitted the President to transfer not more than 10 percent of funds made available under that act to a non-NATO country when certain conditions are met—

(1) "A development seriously affecting the security of the North Atlantic Treaty area for the purpose of providing military assistance to any other European nation whose strategic location makes it of direct importance to the defense" of this area;

(2) The President finds, after consultation with the other North Atlantic parties, that the immediately increased ability of that nation to defend itself "contributes to the preservation of the peace and security of the North Atlantic area"; and

(3) That such action "is vital to the security of the United States."

The language of section 101 (a) (1) changes the conditions of assistance to non-NATO countries in Europe. Consultation with other NATO members is not required and the criteria of our aid is whether the country is "important" to the security of the United States rather than "vital." This makes the language of section 408 (c) unnecessary.

Notification to legislative committees (sec. 101 (a) (1)): The inclusion of this language assures notification of the appropriate legis-

lative committees whenever the President uses funds authorized under this section for military assistance to a European country not a party to the North Atlantic Treaty.

Emigration of surplus manpower (sec. 101 (a) (2)): The House bill (proviso to sec. 101 (a) (2)) set a ceiling of \$30,000,000 to be utilized for the emigration of surplus manpower. The Senate amendment set the amount at \$10,000,000. The conference agreement follows the Senate version. The committee of conference wishes to make clear its intent that none of the funds made available pursuant to the proviso should be allocated to any international organization which has in its membership any Communist, Communist-dominated or Communist-controlled country, to any subsidiary thereof or to any agency created by or stemming from such organization. It is vital to the security of the United States and to the success of the surplus manpower emigration program that no international body with Communist influence receive any United States assistance for the purpose of such program. It is the expectation of the committee of conference that steps will be taken as quickly as possible to get the program moving and that the funds made available will be used.

Transfer of funds within title I (Europe) (sec. 101 (b)): The committee of conference agreed to change from 5 to 10 percent the amount of the appropriations in title I

that may be transferred between economic and military sums in that title. In view of the reductions in amounts and of the uncertain international situation, this increased flexibility was deemed desirable. It will permit greater leeway in making the most effective use of the money authorized under this section.

Contributions to United Nations for Palestine refugee work (sec. 204): Both the House bill and the Senate amendment contained the principle that any contribution made directly by an agency of the United States Government to further the purposes of the United Nations Palestine Refugee Aid Act of 1950 can only be made if the United Nations credits such contribution as part of the United States contributions to the United Nations Relief and Works Agency for Palestine Refugees in the Near East.

The difference between the House bill and the Senate amendment on this point was one of method and not of principle. The conference agreement clarifies the point and makes clear that the United States is not required to obtain United Nations approval in advance before making such a direct contribution.

Transfer of functions under Far Eastern Economic Assistance Act (sec. 303 (e)): The Senate amendment provided that the functions of the Administrator for Economic



Cooperation under section 3 of the Far Eastern Economic Assistance Act, as amended, be performed by such agencies as the President directs. The House bill contained no such provision. The conference agreement follows the Senate language, which accords with the facts of the situation. Soon after hostilities in Korea began, ECA operations were terminated. The responsibility for the recovery program for Korea has now been given to the United Nations, and ECA operations will not be resumed.

Such functions and funds as remain are now being administered by the Army. No purpose is served by retaining them in the Economic Cooperation Administration.

#### *Title V—Organization and general provisions*

The House bill and the Senate amendment made divergent provisions for the organization of the Mutual Security Program and the provision to be made for carrying on the economic support for military production in foreign nations beyond the termination of the Economic Cooperation Administration on June 30, 1952.

The House bill provided for a single Administrator to be the head of a new Mutual Security Agency which would take over the functions of the Economic Cooperation Administration. The Administrator was to be responsible for the administration of the program subject to the direction of the President. The Senate amendment provided for the continuation of the present division of responsibilities among the Department of Defense, the ECA, and the Department of State with an over-all coordination function to be performed in the Executive Office of the President either by an individual or board to be appointed by the President, with the advice and consent of the Senate.

The House bill provided that a new Mutual Security Agency would carry on the functions of the Economic Cooperation Administration until the termination of the ECA Act on June 30, 1952. The new Agency would not have been able to carry on any economic assistance after that date without specific legislation for that purpose subsequent to this act. The Senate bill required the President to submit to the Congress before March 30, 1952, a reorganization plan under the Reorganization Act of 1949 abolishing the Economic Cooperation Administration and transferring such powers and duties of the Administrator of ECA as might be necessary to carry out the purpose of the Mutual Security Act to an appropriate agency of the Government.

The committee of conference agreed upon a substitute for the provisions of the House bill and Senate amendment dealing with organization.

The conference agreement reflects the dissatisfaction of the Congress with the present method of coordination of our foreign-aid programs through the International Security Affairs Committee (ISAC), an interagency committee headed by an official of the Department of State.

The responsibility for the coordination and supervision of the military, economic, and technical assistance programs authorized by the conference agreement is vested in a single person so that the act may be administered as a unified program. The President is authorized to appoint a Director for Mutual Security in the Executive Office of the President at the salary received by a member of the Cabinet.

A Mutual Security Agency is established which immediately takes over the functions of the ECA and will continue to provide until June 30, 1954, limited economic assistance essential to the defense program.

The Director for Mutual Security is made responsible for administering this new Agency. He is also required to provide overall supervision and general direction of the Mutual Security Program. The Director will administer the new Mutual Security Agency

but the administration of the military end-item program is definitely placed in the Department of Defense (sec. 506). It is intended that the Director shall perform primarily integrating and coordinating functions with regard to the operations of the Departments of State and Defense in the Mutual Security Program. The Director is to act on behalf of and subject to the direction of the President.

In accepting the solution finally agreed upon, the committee of conference was guided largely by the fundamental doctrine that under the Constitution ultimate responsibility for effective operation of the Mutual Security Program lies with the President.

The Director is given primary responsibility for preparing and presenting to Congress programs for assistance which may be required in the interest of the security of the United States. The President is authorized to transfer to the Director three positions with salaries of \$15,000 per year and one position with a salary of \$16,000 a year as authorized by section 406 (e) of the Mutual Defense Assistance Act of 1949. Neither the Director nor any persons appointed to these positions may hold a job at the same time in any other Government agency.

The conference agreement provides that the Director shall become a member of the National Security Council and of the National Advisory Council on International Monetary and Financial Problems.

The conference agreement also includes a provision (sec. 501 (e) (3)) placing the Director for Mutual Security on the Board of Directors of the Export-Import Bank. This was done to facilitate the effective operation of the provision requiring that as large a proportion as possible of the funds authorized be provided on credit terms, in no event less than 10 percent. The administration of such loans is handled by the Export-Import Bank under the provisions of the Economic Cooperation Act, although the Director for Mutual Security will specify the terms in consultation with the National Advisory Council on International Monetary and Financial Problems.

The task of the Director will be a big one. The committee of conference was of the view that a person should be appointed with commensurate ability.

#### MUTUAL SECURITY AGENCY

The conference agreement provides for the termination of the Economic Cooperation Administration and the principal offices of that agency. A new Mutual Security Agency is established and the functions of the Economic Cooperation Administration are transferred to it. Only those powers and responsibilities provided by the Economic Cooperation Administration Act are permitted to extend beyond June 30, 1952, which the President determines are necessary to carry on the purposes of the Mutual Security Act. The President is required to notify the appropriate committees of Congress before April 1, 1952, which of these powers are to be extended. All other ECA powers terminate June 30, 1952.

The primary responsibilities of the new Agency are three:

1. The development and administration of programs of assistance designed to sustain and increase military effort, including production, construction, equipment and matériel in each country or in groups of countries which receive United States military assistance.

2. The provision of equipment, financial and other assistance to countries for carrying out mutual defense programs.

3. The provision of limited economic assistance to countries for which the United States has special responsibilities as a result of its participation in joint control arrangements (such as Austria) when the President finds provision of such assistance in the interest of the security of the United States.

After June 30, 1952, the new Agency cannot provide assistance for any purpose except the three mentioned in section 503. No economic assistance can be provided to any country for "recovery" purposes; and, except in "joint control" countries, none can be provided for programs other than "mutual defense programs" which are defined in subsection (a) of section 503.

The Point Four program is entirely independent of the Mutual Security Agency, and the Act for International Development continues to be administered as the President directs.

Appointment and transfer of personnel: A Deputy Director for the Agency is established as well as a special representative in Europe and a deputy in Europe. These positions are equivalent to similar ones provided in the Economic Cooperation Administration Act and are subject to confirmation by the Senate.

In this connection, the committee of conference was aware that unless the United States representation in NATO were closely coordinated with the activities of the Mutual Security Agency in Europe, the effectiveness of the program would be impeded. Duplication of staffs in the office of the United States deputy to the North Atlantic Council (USDEP) and in the regional office of the Mutual Security Agency should be avoided. Wherever possible, USDEP should utilize the special skills and talents of the Mutual Security Agency personnel and not set up duplicate staffs.

Personnel (sec. 504 (c)) may be transferred from the Economic Cooperation Administration to the Mutual Security Agency after a double screening. The new Director for Mutual Security must certify that he needs the persons transferred to carry out his duties, and the Director of the Bureau of the Budget must make a similar certification. This is in conformity with the House version (sec. 502 (c)).

Provision is made for reducing the number of "super grade" positions within the continental limits of the United States from 100 authorized by the ECA Act to 50, of which 15 (the ECA Act permits 25) are permitted to receive salaries of \$15,000 per year. These positions are in addition to those now authorized by section 406 (e) of the Mutual Defense Assistance Act and provided for in section 501 (d) of the conference agreement.

The conference agreement also requires a reduction in personnel. By January 1, 1952, the total United States personnel of the Mutual Security Agency—at home and abroad—must be at least 10 percent below the number employed by the Economic Cooperation Administration on August 31, 1951.

Preserving the foreign policy powers or functions of the Secretary of State (secs. 505 and 507): The conference agreement contains two provisions which preserve the powers or functions of the Secretary of State in the field of foreign policy. Under section 507 (which retains the Senate language) the President is to assure coordination of the Mutual Security Program abroad, under the leadership of the chief of the United States diplomatic mission in the recipient country, while section 505 (which retains the House language) states that nothing in the Mutual Security Act shall be construed to infringe upon the powers or functions of the Secretary of State. The purpose of these provisions is to assure that the operations of the Mutual Security Program will be consistent with the foreign policy objectives of the United States and that the Secretary of State's traditional powers in this respect are not abridged.

Responsibilities of Secretary of Defense (sec. 506 (a) and (b)): The committee of conference was agreed that the military end-item program and related programs were matters to be handled by the Department of Defense. This section spells out the re-

sponsibilities and authority for these programs that are entrusted to the Secretary of Defense. These include the determination of priorities in procurement and deliveries, the allocation of military equipment, and the apportionment of funds between services. In the case of the apportionment of funds between countries, however, political and economic judgments as well as military considerations are important. This function was entrusted to the President to whom the funds are authorized to be appropriated under this act.

Transfer of military end items by Secretary of Defense (sec. 506 (c)): The committee of conference is of the opinion that expeditious despatch of military equipment to friendly nations is essential in the interests of United States security. It may be desirable to ship such items made under funds appropriated to the Department of Defense. Under existing law the Secretary of Defense cannot transfer military end items the procurement of which was appropriated for under another act.

The language of the conference agreement permits the transfer of such items up to \$1 billion in value. In such cases the Secretary of Defense will be reimbursed from funds allocated to the President under the authorization of this act. No additional appropriation is involved.

Point Four program (sec. 508): The organizational arrangements in the conference agreement make little reference to the Point Four program. The committee of conference is fully aware that the Point Four program will be subject to coordination and supervision if "unified direction and control" is to have meaning. However, it is the clear intent of the committee of conference that the administration of the Point Four program shall remain in and under the control of the Department of State. This includes the activities carried on under the Act for International Development and under the Institute of Inter-American Affairs Act.

Security clearance (sec. 510): The conference agreement contains amendments to section 501 (h) of the House version to make the language specifically cover the security clearance of personnel employed under the Act for International Development. The House version had originally included Point Four personnel since the administration of the Act for International Development had been transferred to the Mutual Security Administrator in the House bill.

Under the Act for International Development no person can be assigned to duty until an investigation by the Federal Bureau of Investigation has been completed. The Economic Cooperation Act permits a 3-month appointment pending completion of the FBI investigation. The committee of conference agreed that the same provision should apply to Point Four employees as to those of the Mutual Security Agency so that the House version was amended to include Act for International Development personnel.

Eligibility for assistance (sec. 511): The differences between the House bill and the Senate amendment on this point were minor. The conference agreement follows the Senate version which clarifies and perfects the language. It is now clear that the standards for eligibility for assistance established in this section apply only to assistance authorized pursuant to this act. Paragraph (1) of subsection (a) has been broadened to include the promotion of international understanding and good will in addition to maintaining world peace. Paragraph (4) of the same subsection added the words "and economic" to the requirement for making a full contribution consistent with political stability.

Strategic materials (sec. 514): The House bill provided a separate authorization for strategic-materials development. The Senate amendment authorized the function but

directed that the funds be utilized from those made available for Title I—Europe. The conference agreement follows the Senate version. The committee of conference fully agreed that increased attention should be given to this problem. The only issue was the method of financing. In the absence of any program for increased production the Senate version was considered preferable. The language will permit the diversion of money up to \$55,000,000 as the program is developed, rather than earmark a sum that could be used only for that purpose.

The committee of conference noted that under sections 303 and 304 of Executive Order 10161, as amended by section 201 of Executive Order 10281, the Defense Materials Procurement Administrator is given authority to make provision for the development of the production of strategic materials. Sections 115 (1) and 117 (a) of the Economic Cooperation Act of 1948, as amended, direct the Administrator to assist the appropriate agencies of the United States Government in procuring and stimulating increased production in participating countries of materials in short supply in the United States. Although some doubt was expressed as to the effectiveness of the Economic Cooperation Administration in discharging this responsibility, the committee of conference agreed that instead of transferring this responsibility to the President or to the Defense Materials Administrator, the ECA Administrator and his successor, the Director for Mutual Security, should be urged to do their utmost to cooperate with and to assist the Defense Materials Administrator to discharge his responsibilities.

Protection against attachment (sec. 515): Under section 604 of the House bill all countries receiving United States assistance are required to take steps to protect aid program funds and property from court attachment or seizure in connection with other matters, as in the Belgian case. The Senate amendment contained no such provision.

The conference agreement contains the House language with modifications. The original House language might have been interpreted to mean that a farmer with an ECA tractor could not be sued by a creditor for failure to pay for the tractor.

This was not the intention of the House language; the provision was designed to prevent diversion of assistance funds for other purposes. The conference agreement assures this principle.

Encouragement of free enterprise (sec. 516): The conference agreement (sec. 516) combines the major provisions of section 2 (b) of the Senate amendment and section 605 (b) of the House bill. These sections direct that the Mutual Security Program be administered so as to encourage free private enterprise, discourage cartels and monopolies, and encourage the free labor movement. The language agreed upon is in accordance with principles enumerated by the House on numerous occasions in the past. At the same time it is so drafted that these longer-range directives can be gradually merged with the immediate and urgent objective of the program.

Patents and technical information (sec. 517 (d)): As regards suits for compensation for unauthorized use or disclosure of patents and of technical information, the House version (sec. 606 (d)) provided that no right of action was conferred on anyone who is employed by the United States at the time he makes his claim, or who was so employed at the time he made the invention or discovery. The Senate version omitted this language.

The conference agreement makes applicable the last sentence of section 1498 of title 28, United States Code, which is substantially the language of the House version. It was the view of the committee of conference that the existing patent law should not be

changed by the committee of conference, except insofar as it should be made clear that section 1498 applies to situations covered by this act.

Administrative expenses (sec. 521): During the conference the question was raised as to whether either the House or Senate versions of the bill had made clear that funds could be used for the acquisition or construction of facilities in Europe for collective defense. The committee of conference decided to make this authorization explicit, at the same time making equally explicit the prohibition of the use of our funds for rental or purchase of real estate, or for payment of taxes.

The new language inserted in section 521 is as follows: "and for participation in the acquisition or construction of facilities in foreign countries for collective defense: *Provided*, That no part of such funds shall be expended for rental or purchase of land or for payment of taxes."

The committee of conference considered prohibiting direct or indirect payment of taxes. They realized, however, that taxes go into the price structure of everything that is purchased in Europe or the United States, and therefore that it would be impossible, administratively if not literally, to buy anything or hire anyone on a basis that would preclude the possibility of having part of the funds going ultimately for taxes. The conference also learned that direct taxes are never paid by our authorities and that negotiations are in progress to eliminate "twilight zone" transactions. Therefore, it was felt that the limitation against the use of funds for payment of taxes was sufficient.

Loans to recipient countries (sec. 522): The House bill provided that not less than 20 percent of the assistance might be available from new funds. The committee of conference agreed that not less than 10 percent of the assistance made available from new funds (not including carry-over funds) under the provisions of the Economic Cooperation Act, as amended, must be in the form of assistance on credit. "The conference agreement provides that 'as great an amount (in no event less than 10 per centum) as possible shall be provided on credit terms.'" The Director will be a member of the National Advisory Council on International Monetary and Financial Problems. This body passes upon the terms of the loan agreements. It may find that a particular country is so heavily burdened that the imposition of a loan is practically impossible. On the other hand, another country may be capable of increasing its debt burden. Thus, some countries may receive grants, others loans, and some may receive both. The only absolute requirement is that at least 10 percent of the total sum be on credit terms.

The 10 percent provision is a minimum, not a maximum. It is expected that the responsible officials will make strenuous efforts to advance more than 10 percent of the authorized sums in the form of loans rather than grants.

Use of counterpart (sec. 523):

(a) Disposition of unencumbered balances of counterpart funds: The Senate version amends section 115 (b) (6) of the Economic Cooperation Act to permit disposition of unencumbered balances of the counterpart in any country upon termination of assistance under the act rather than on the date June 30, 1952.

The House bill contained no such provision. The conference agreement follows the Senate language. Since the conference agreement now provides for some assistance programs involving counterpart funds beyond June 30, 1952, no purpose is served in preserving the date. Disposition of counterpart funds in those countries where programs may be terminated next year will be made as expeditiously under the language



the conference agreement as under a given date.

(b) Use of counterpart funds for military purposes: The House bill provided that not less than \$500,000,000 of the counterpart funds in ECA countries be used for military production. The Senate amendment included additional countries—those receiving aid under the Mutual Defense Assistance Program—and broadened the uses of the counterpart funds. The conference agreement retains both the House and Senate provisions. Under the conference agreement, the requirement now applies to all countries where United States assistance involves counterpart funds. It assures that a substantial amount of counterpart funds will be devoted to the immediate objectives of the Mutual Security Program. The conference agreement also preserves flexibility of administration. Those in charge of the program can select the countries and the amounts in any way they see fit so long as the minimum amount is earmarked for the purposes provided.

Return of used material and equipment (sec. 524): The difference between House and Senate versions on this point was small. The conference agreement follows the Senate language, expressing more clearly the intent of the section originally passed by the House.

Transfer of excess equipment (sec. 526): The Mutual Defense Assistance Act of 1949 authorized the transfer to other countries of not more than \$450,000,000 on value of used and obsolete equipment. In 1950 the ceiling was raised to \$700,000,000.

The committee of conference felt that the evidence on this in both Houses was unsatisfactory. Raising the ceiling to the sum requested by the executive branch might encourage the armed services to declare excess equipment that was capable of further use. In this connection it was noted that our own forces are in urgent need of additional equipment for training and reserve purposes. The conference agreement authorizes the transfer of not more than \$300,000,000 of additional excess equipment.

Congressional committee expenses (sec. 527): The House bill (sec. 616) contained provisions implementing the Legislative Reorganization Act of 1946 by providing for the appointment of additional staff for the Committee on Foreign Affairs and for the use of counterpart funds for expenses incurred by the committee and staff when on committee business abroad. These provisions were omitted in the Senate version. The conference agreement retains the authority to use counterpart funds and extends it to include other appropriate committees and staffs of the Congress concerned with the Mutual Security Program, without charge to the appropriations made for such committees.

Encouraging fair labor standards and management-labor relations (sec. 528 (b)): The House version (sec. 617 (a) (2)) amended the Act for International Development by requiring the encouragement of participating countries in the technical assistance program "to negotiate agreements with the United Nations and its specialized agencies, or otherwise, to establish fair labor standards of wages and working conditions and management-labor relations." The Senate amendment contained no such provision. The conference agreement follows the House language, omitting the phrase "with the United Nations and its specialized agencies, or otherwise." It was the view of the committee of conference that the channel through which such agreements are negotiated should not be restricted.

Expiration of assistance (sec. 530): The conference agreement retains the basic language of the House version (sec. 510), with respect to the expiration of the Mutual Security

Program (with the exception of the Act for International Development), with certain clarifying amendments and the elimination of the proviso in section 510 (a) of the House version. The termination of the ECA contained in the proviso is specifically provided for in section 502 of the conference agreement.

Effective date (sec. 531): The Mutual Security Act will go into effect on the date of its enactment except for designated sections which will require time to accomplish. The abolition of the ECA, any transfer of personnel, the abolition of the senior ECA jobs and the creation of the jobs specified in the new Agency may occur at the discretion of the President, but not later than 60 days after the Director takes office. Section 511 which requires agreements from nations in order for them to be eligible for assistance will take effect 90 days after the enactment of the act in order to allow time for the negotiation of necessary agreements.

J. P. RICHARDS,  
MIKE MANSFIELD,  
THOMAS E. MORGAN,  
JOHN M. VORYS,  
FRANCES P. BOLTON,

*Managers on the Part of the House.*

The SPEAKER. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Speaker, I make the point of order against section 501 (e) (3) of the conference report on the ground that that section was neither in the bill in the other body or in the House bill. Section 501 (e) (3) is as follows:

(3) Paragraph (1) of section 3 (a) of the Export-Import Bank Act of 1945, as amended (12 U. S. C. 635a (a) (1)), is amended by inserting after the words "Secretary of State," where they appear in the first sentence thereof the words "the Director for Mutual Security," and by striking out the last sentence of such paragraph and inserting in lieu thereof the following: "To the extent he deems it advisable the Secretary of State or the Director for Mutual Security, as the case may be, may designate to act for him in the discharge of his duties as a member of the Board of Directors any officer of his Department or Agency who shall have been appointed by the President by and with the advice and consent of the Senate. The Director for Mutual Security shall not be considered to be a member of the Board of Directors for the purposes of the first sentence of paragraph (3) of this subsection or for the purposes of subsection (b)."

It amends the Export-Import Bank Act, and provides that the Director for Mutual Security shall be a member of the Board of Directors of the Export-Import Bank. Therefore, Mr. Speaker, I ask that the point of order be sustained. The conferees went beyond the scope of their authority in placing this provision in the conference report, a provision which had not been considered by either the House or the other body, and which provision amends an act which was not under consideration. I am heartily in favor of the objectives desired to be achieved by this act. I feel confident that the point of order will be sustained, and that the House will have an opportunity to vote on the conference report, and I shall support it and vote for it.

The SPEAKER. Does the gentleman from South Carolina desire to be heard?

Mr. RICHARDS. Mr. Speaker, may I be heard briefly on the point of order?

When this bill went to conference, the situation confronting the conferees was this: The Senate in its consideration of the bill as an amendment struck out all after the enacting clause and inserted a new bill. According to some of the old precedents, and to a rule in force at one time, it was my understanding that this type of parliamentary situation would open the bill wide with the sky as the limit. It will be remembered that under the Reorganization Act of 1946, the rule was changed to provide that any conference report must be confined to the subject matter committed to the conference or to germane modifications of it. In this particular case we had in practical effect two bills before the conferees.

In view of the fact that the original ECA Act—still the law and will be if this conference report is adopted—directed the Export-Import Bank to perform certain functions in making loans where ECA assistance is given on credit. The conferees on both sides felt that the provision objected to here and against which a point of order has been raised was well within the subject matter of the bills under consideration. I realize, of course, Mr. Speaker, that this is a debatable question. However, I wish to assure the House, that there was neither motive nor attempt upon the part of any conferee from either body to evade the spirit of the bills passed by the two Houses. It is the definite opinion of the conferees on this side that the provision referred to and objected to is well within the subject matter under consideration by the conference committee.

Mr. VORYS. Mr. Speaker, may I be heard on the point of order?

The SPEAKER. The Chair will hear the gentleman briefly.

Mr. VORYS. The point of order as I understand it, is that the conferees were without authority to amend the Export-Import Bank Act by providing that the Director of Mutual Security shall be a member of the board of directors of the bank.

I call the attention of the Chair to the fact that section 612 of the House bill amended the ECA law, section 111 (c) by requiring that 20 percent of the funds to be administered by the new Administrator should be in the form of loans. Section 111 (c) of the ECA Act amended the Export-Import Bank Act by providing for loans under ECA, on terms specified by the Administrator in consultation with the National Advisory Council on International Monetary and Fiscal Problems. It provided that the loans should be administered by the Export-Import Bank of Washington.

The Senate had no provision for loans and, therefore, no provision, of course, for administering the loans. The conferees provided in section 522 of the conference report that as great an amount as possible but in no event less than 10 percent of the economic aid furnished should be on credit terms thereby amending existing law and adding to the duties of the Export-Import Bank just as had been provided in the House bill.

What the conferees did was to make a further amendment to the Export-Import Bank Act which had already been

amended in the House by providing that this new Director of Mutual Security in addition to being a member of the National Advisory Council on Monetary and Fiscal Affairs should be a member of the board of the bank that was to administer these loans which, if appropriations are in line with the authorizations, may amount to more than \$140,000,000. So that, in view of the history of the House bill which amended the ECA law which in itself amended the Export-Import Bank law, it is clear to me, and it was clear to the conferees, that this came squarely under the provisions of section 135 (a) of the Reorganization Act, which says of the conferees:

They may, however, include in their report matter which is a germane modification of the subjects in disagreement.

The whole question of the administration of loans was in disagreement. The conferees made a germane modification of that subject, amending the Export-Import Bank law which had been amended by the House. Therefore, Mr. Speaker, I submit that the point of order should be overruled.

Mr. WOLCOTT. Mr. Speaker, may I be heard on the point of order?

The SPEAKER. The Chair will hear the gentleman.

Mr. WOLCOTT. Mr. Speaker, section 135 of the Legislative Reorganization Act of 1946, which is a section applicable to both Houses of Congress, reads as follows:

In any case in which a disagreement to an amendment in the nature of a substitute has been referred to conferees, it shall be in order for the conferees to report a substitute on the same subject matter, but they may not include in the report matter not committed by either House. They may, however, include in their report in such case matter which is a germane modification of subjects in disagreement.

(b) In any case in which the conferees violate subsection (a), the conferees' report shall be subject to a point of order.

Mr. Speaker, when the bill, H. R. 5113, was considered in the Senate, all after the enacting clause was stricken and a new bill was substituted, which constitutes, of course, an amendment in the nature of a substitute coming within the language of section 135 which I have just read. It is true that the Export-Import Bank under section 111 of the Foreign Assistance Act of 1948 has been functioning as the agent—not as a prime mover—of the Administrator of ECA but without any degree of latitude in respect to the conditions or quantity of the loan. It acts merely as the agent of the Administrator, as he is called in the act, in administration of loans.

The forepart of section (2) of section 111 (c) of the Foreign Assistance Act reads as follows:

When it is determined that assistance should be extended under the provisions of this title on credit terms, the Administrator—

Not the Export-Import Bank but the Administrator of ECA—

shall allocate funds for the purpose to the Export-Import Bank of Washington, which shall, notwithstanding the provisions of the Export-Import Bank Act of 1945—

The Export-Import Act is not amended by this language but notwithstanding the provisions of the Export-Import Bank Act of 1945, as amended, it may—administer the credit on terms specified by the Administrator in consultation with the National Advisory Council on International Monetary and Financial Problems.

Therefore, the charter of the Export-Import Bank, under which was created a board of five directors, was not in disagreement before the conferees.

When the conferees in respect to H. R. 5113 amended the charter law of the export-import law and filed its report in this House, it reported on a matter which was not committed to them by either House.

Neither is it a matter which is germane to the subject matter for the reason that the Mutual Security Act of 1951 does not vest in the board of directors of the Export-Import Bank any discretion in respect to the making of loans. It authorizes them only to administer the loans in the manner laid down under regulations of the Director of the Mutual Security Act.

This amendment not only gives the Director a voice on the board with respect to the administration of moneys raised by the Director by requisition on the Treasury of the United States, notwithstanding any other action which the board of directors of the Bank might take, but it gives him authority to act as a member of the board of directors of the Export-Import Bank on all matters coming before that board, domestic and foreign.

It is true that many of the loans made by the Export-Import Bank, as a matter of fact almost all of them, are foreign loans, but the Export-Import Bank of Washington as set up and chartered by this Congress is authorized to do a general banking business, domestic as well as foreign. In the first place, to put the Director of the Mutual Security Act on the board of directors throws the board out of balance, because it creates an even number; it creates a board of six members, and in addition to that it overbalances the board in connection with the use of the Export-Import Bank in respect to our foreign policy.

Now, there was a very distinct purpose behind this rule. It was to prevent either House of the Congress being taken by surprise by the conferees assuming to have jurisdiction over matters which had not been committed to them by either House of the Congress. I might say, speaking for myself, that I was completely surprised because it has been only within the past week that we had a matter before the House in which the borrowing authority of the Export-Import Bank was increased by a billion dollars, and I remember very distinctly that I very sincerely made the statement on the floor of this House that there was no indication from the reports of the Export-Import Bank, no indication from the testimony which we had had with respect to the increase of capital or borrowing authority, that the Export-Import Bank had been unduly pressured into making foreign loans which were not sound loans, in keeping

with whatever foreign policy might be evolved.

I might say that this House is taken by surprise, because were this matter before the House in the form of a bill today, with the same thing which the conferees did, it would be subject to almost interminable debate on the fundamental question as to whether we would want to use the Export-Import Bank of Washington in furtherance of any foreign policy, no matter how we might agree with that foreign policy.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Mississippi.

Mr. RANKIN. How much does this increase the cost?

Mr. WOLCOTT. I do not know as it increases the cost at all because I do not understand that as a member of the board the Director gets any additional salary; at least, I do not understand that he does.

For that reason, Mr. Speaker, I contend that the point of order made by the gentleman from Kentucky should be sustained.

The SPEAKER. The Chair is ready to rule.

The Chair appreciates the fact that both the gentleman from Kentucky and the gentleman from Michigan called the attention of the Chair to the fact that they were going to object to this provision in the conference report and that, if necessary, they would make a point of order against the whole conference report on the ground that the conferees had exceeded their authority.

Many of these questions are very close, and I might say that in the reference of bills the Speaker's parliamentary adviser and he many times have some difficulty in determining exactly what committee has jurisdiction, or which committee has the most jurisdiction, the Chair might say.

It has always been the thought of the Chair that the conferees should be allowed as wide leeway as possible as long as they stayed within the rules of the House, but the jurisdiction of committees must be guarded and the limitations put upon the conferees also must be guarded.

The jurisdiction of conferees with reference to amendments in the nature of a substitute, as we have before us, is covered by section 135 (a) of part 3 of the Legislative Reorganization Act of 1946. This provision, which appears as section 947 of the House Rules and Manual, does not change the precedents, but merely codifies the long-standing practice of the House.

The provision is as follows:

SEC. 135. (a) In any case in which a disagreement to an amendment in the nature of a substitute has been referred to conferees, it shall be in order for the conferees to report a substitute on the same subject matter; but they may not include in the report matter not committed to them by either House. They may, however, include in their report in any such case matter which is a germane modification of the subjects in disagreement.

(b) In any case in which the conferees violate subsection (a), the conference report shall be subject to a point of order.



While the rule authorizes conferees to report a substitute on the same subject matter, it also restricts them to matter committed to them by one of the Houses. In the case before us neither House committed to the conferees a provision for making the Mutual Security Director a member of the board of the Export-Import Bank. And while the rule permits germane modifications of the matter in disagreement, such alteration of the board of directors of the Export-Import Bank is an expansion and not a modification of the matter in disagreement.

The Chair thinks the point of order is good and, therefore, sustains the point of order.

The Senate amendment is now before the House for further consideration.

The Clerk will report the Senate amendment.

The Clerk read as follows:

Senate amendment: Strike out all after the enacting clause and insert "That this act may be cited as the 'Mutual Security Act of 1951.'"

"Sec. 2. (a) The Congress declares it to be the purpose of this act to maintain the security and to promote the foreign policy of the United States by authorizing military, economic, and technical assistance to friendly countries to strengthen the mutual security and individual and collective defenses of the free world, to develop their resources in the interest of their security and independence and the national interest of the United States and to facilitate the effective participation of those countries in the United Nations system for collective security. The purposes of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1571-1604), the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522), and the Act for International Development (22 U. S. C. 1557) shall hereafter be deemed to include this purpose.

"(b) It is hereby declared to be the policy of the Congress, that, to the extent that it is readily feasible and does not interfere with the achievement of the purposes set forth in subsection (a), the assistance authorized by title I of this act shall be provided in such a way as (1) to discourage the cartel and monopolistic practices prevailing in European business which result in restricting production and increasing prices, and to encourage where suitable competition and productivity, and (2) to encourage where suitable the development and strengthening of the free labor union movements of Europe as the collective bargaining agencies of European labor.

#### "TITLE I—EUROPE

"Sec. 101. (a) In order to support the freedom of Europe through assistance which will further the carrying out of the plans for defense of the North Atlantic area, while at the same time maintaining the economic stability of the countries of the area so that they may meet their responsibilities for defense, and to further encourage the economic unification and the political federation of Europe, there are hereby authorized to be appropriated to the President for the fiscal year 1952 for carrying out the provisions and accomplishing the policies and purpose of this act—

"(1) not to exceed \$5,006,350,000 for assistance pursuant to the provisions of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1571-1604), for countries which are parties to the North Atlantic Treaty and for any country of Europe (other than a country covered by another title of this act), which the President determines to be of direct importance to the defense of the North Atlantic area and whose in-

creased ability to defend itself the President determines is important to the preservation of the peace and security of the North Atlantic area and to the security of the United States and not to exceed \$100,000,000 of such appropriation for any selected persons who are residing in or escapees from the Soviet Union, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Albania, Lithuania, Latvia, and Estonia, or the Communist dominated or occupied areas of Germany and Austria, and any other countries absorbed by the Soviet Union either to form such persons into elements of the military forces supporting the North Atlantic Treaty Organization or for other purposes, when it is similarly determined by the President that such assistance will contribute to the defense of the North Atlantic area and to the security of the United States. In addition, unexpended balances of appropriations heretofore made for carrying out the purposes of the Mutual Defense Assistance Act of 1949, as amended, through assistance to any of the countries covered by this paragraph, are hereby authorized to be continued available through June 30, 1952, and to be consolidated with the appropriation authorized by this paragraph. The amount of funds made available pursuant to this paragraph which may be utilized for purposes other than assistance to countries which are parties to the North Atlantic Treaty shall not exceed 10 percent of the amount made available (excluding balances of prior appropriations continued available) under this paragraph.

"(2) not to exceed \$830,500,000 for assistance pursuant to the provisions of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522) (including assistance to further European military production), for any country of Europe covered by paragraph (1) of this subsection and for any other country covered by section 103 (a) of the said Economic Cooperation Act of 1948, as amended. In addition, unexpended balances of appropriations heretofore made for carrying out the purposes of the Economic Cooperation Act of 1948, as amended, are hereby authorized to be continued available through June 30, 1952, and to be consolidated with the appropriation authorized by this paragraph: *Provided*, That not to exceed \$10,000,000 of the funds made available pursuant to this paragraph may be utilized to effectuate the purposes of section 115 (e) of the Economic Cooperation Act of 1948, as amended.

"(b) Not to exceed 5 percent of the total of the appropriations granted pursuant to this section may be transferred, when determined by the President to be necessary for the purpose of this act, between appropriations granted pursuant to either paragraph of subsection (a): *Provided*, That the amount herein authorized to be transferred shall be determined without reference to any balances of prior appropriations continued available pursuant to this section: *Provided further*, That, whenever the President makes any such determination, he shall forthwith notify the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, and the Committees on Armed Services of the Senate and of the House of Representatives.

#### "TITLE II—NEAR EAST AND AFRICA

"Sec. 201. In order to further the purpose of this act by continuing to provide military assistance to Greece, Turkey, and Iran, there are hereby authorized to be appropriated to the President for the fiscal year 1952 not to exceed \$396,250,000 for furnishing assistance to Greece and Turkey pursuant to the provisions of the act of May 22, 1947, as amended (22 U. S. C. 1401-1410), and for furnishing assistance to Iran pursuant to the provisions of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1571-1604). In addition, unexpended balances of appropriations heretofore made for assistance to Greece and

Turkey, available for the fiscal year 1951, pursuant to the act of May 22, 1947, as amended, and for assistance to Iran pursuant to the Mutual Defense Assistance Act of 1949, as amended, are hereby authorized to be continued available through June 30, 1952, and to be consolidated with the appropriation authorized by this section.

"Sec. 202. Whenever the President determines that such action is essential for the purpose of this act, he may provide assistance, pursuant to the provisions of the Mutual Defense Assistance Act of 1949, as amended, to any country of the Near East area (other than those covered by section 201) and may utilize not to exceed 10 percent of the amount made available (excluding balances of prior appropriations continued available) pursuant to section 201 of this act: *Provided*, That any such assistance may be furnished only upon determination by the President that (1) the strategic location of the recipient country makes it of direct importance to the defense of the Near East area, (2) such assistance is of critical importance to the defense of the free nations, and (3) the immediately increased ability of the recipient country to defend itself is important to the preservation of the peace and security of the area and to the security of the United States.

"Sec. 203. In order to further the purpose of this act in Africa and the Near East, there are hereby authorized to be appropriated to the President, for the fiscal year 1952, not to exceed \$160,000,000 for economic and technical assistance in Africa and the Near East in areas other than those covered by section 103 (a) of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1502). Funds appropriated pursuant to this section shall be available under the applicable provisions of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522), and of the Act for International Development (22 U. S. C. 1557).

"Sec. 204. Not to exceed \$50,000,000 of the funds authorized under section 203 hereof may be contributed to the United Nations during the fiscal year 1952, for the purposes, and under the provisions, of the United Nations Palestine Refugee Aid Act of 1950 (22 U. S. C. 1556): *Provided*, That, whenever the President shall determine that it would more effectively contribute to the purposes of the said United Nations Palestine Refugee Aid Act of 1950, he may allocate any part of such funds to any agency of the United States Government to be utilized in furtherance of the purposes of said act, and any amount so allocated shall be a part of the United States contribution to the United Nations Relief and Works Agency for Palestine Refugees in the Near East.

"Sec. 205. In order to assist in the relief of refugees coming into Israel, not to exceed \$50,000,000 of the funds authorized under section 203 hereof may be utilized during the fiscal year 1952, under such terms and conditions as the President may prescribe, for specific refugee relief and resettlement projects in Israel.

#### "TITLE III—ASIA AND PACIFIC

"Sec. 301. In order to carry out in the general area of China (including the Republic of the Philippines and the Republic of Korea) the provisions of subsection (a) of section 303 of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1604 (a)), there are hereby authorized to be appropriated to the President for the fiscal year 1952 not to exceed \$535,250,000. In addition, unexpended balances of appropriations heretofore made for carrying out the provisions of title III of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1602-1604), are hereby authorized to be continued available through June 30, 1952, and to be consolidated with the appropriation authorized by this section. Not to exceed \$50,000,000 of funds appropriated pur-

suant to this section (excluding balances of appropriations continued available) may be accounted for as provided in subsection (a) of said section 303.

"Sec. 302. (a) In order to further the purpose of this act through the strengthening of the area covered in section 301 of this act (but not including the Republic of Korea), there are hereby authorized to be appropriated to the President, for the fiscal year 1952, not to exceed \$178,750,000 for economic and technical assistance in those portions of such area which the President deems to be not under Communist control. Funds appropriated pursuant to authority of this section shall be available under the applicable provisions of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522), and of the Act for International Development (22 U. S. C. 1557). In addition, unexpended balances of funds heretofore made available for carrying out the purposes of the China Area Aid Act of 1950 (22 U. S. C. 1547), are hereby authorized to be continued available through June 30, 1952, and to be consolidated with the appropriation authorized by this section.

"(b) The third proviso of section 202 of the China Area Aid Act of 1950 is amended by inserting 'and of Korea' after 'selected citizens of China' the first time it appears therein.

"Sec. 303. (a) In order to provide for a United States contribution to the United Nations Korean Reconstruction Agency, established by the resolution of the General Assembly of the United Nations of December 1, 1950, there are hereby authorized to be appropriated to the President not to exceed \$69,750,000. In addition, unobligated balances of the appropriations heretofore made, and available during the fiscal year 1951, for assistance to Korea under authority of the Far Eastern Economic Assistance Act of 1950, as amended (22 U. S. C. 1543, 1551, 1552), are hereby authorized to be continued available through June 30, 1952, and to be consolidated with the appropriation authorized by this section. Not to exceed 50 percent of the total of the appropriations authorized by this section may, when determined by the President to be necessary for the purposes of this act, be transferred to and consolidated with the appropriation authorized by paragraph 302 (a).

"(b) The sums made available pursuant to subsection (a) may be contributed from time to time on behalf of the United States in such amounts as the President determines to be appropriate to support those functions of the United Nations Korean Reconstruction Agency which the military situation in Korea permits the Agency to undertake pursuant to arrangements between the Agency and the United Nations Unified Command. The aggregate amount which may be contributed on behalf of the United States pursuant to the preceding sentence shall be reduced by the value of goods and services made available to Korea by any department or agency of the United States for relief and economic assistance after the assumption of responsibility for relief and rehabilitation operations in Korea by the United Nations Korean Reconstruction Agency.

"(c) The provisions of subsections 304 (a) and (b) of the United Nations Palestine Refugee Aid Act of 1950 (22 U. S. C. 1556 (b)) are hereby made applicable with respect to Korean assistance furnished under this section.

"(d) Unencumbered balances of sums heretofore or hereafter deposited in the special account established pursuant to paragraph (2) of article V of the agreement of December 10, 1948, between the United States of America and the Republic of Korea (62 Stat., part 3, 3788) shall be used in Korea for such purposes as the President determines to be consistent with United Nations programs for assistance to Korea and as may be agreed to between the Government of the United States and the Republic of Korea.

"(e) The functions of the Administrator for Economic Cooperation under the provisions of section 3 of the Far Eastern Economic Assistance Act of 1950, as amended (22 U. S. C. 1551), shall hereafter be performed by such departments or agencies of the Government as the President shall direct.

#### "TITLE IV—AMERICAN REPUBLICS

"Sec. 401. In order to further the purpose of this act through the furnishing of military assistance to the other American Republics, there are hereby authorized to be appropriated to the President, for the fiscal year 1952, not to exceed \$38,150,000 for carrying out the purposes of this section under the provisions of the Mutual Defense Assistance Act of 1949, as amended: *Provided*, That such assistance may be furnished only in accordance with defense plans which are found by the President to require the recipient country to participate in missions important to the defense of the Western Hemisphere. Any such assistance shall be subject to agreements, as provided herein and as required by section 402 of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1573), designed to assure that the assistance will be used to promote the defense of the Western Hemisphere; and after agreement by the Government of the United States and the country concerned with respect to such missions, military assistance hereunder shall be furnished only in accordance with such agreement.

"Sec. 402. In order to further the purpose of this act among the peoples of the American Republics through the furnishing of technical assistance, there are hereby authorized to be appropriated to the President, for the fiscal year 1952, not to exceed \$21,250,000 for assistance under the provisions of the act for International Development (22 U. S. C. 1557) and of the Institute of Inter-American Affairs Act, as amended (22 U. S. C. 281).

#### "TITLE V—GENERAL PROVISIONS

##### "COORDINATION OF ACTIVITIES

"Sec. 501. (a) Responsibility for the coordination of activities of, or resolution of conflicts among, the various departments and agencies of the Government exercising functions under this act shall be in the Executive Office of the President. No person may serve in any office, or on any board established for the purpose of advising the President on such matters while at the same time he is an officer or employee of any other department or agency of the Government. Any person or persons appointed to such office or to serve as a member of such board shall be appointed by the President, by and with the advice and consent of the Senate.

"(b) For the purpose of carrying out the provisions of this section the President is authorized to utilize the positions created in subsection 406 (e) of the Mutual Defense Assistance Act of 1949, as amended.

"Sec. 502. The President shall prescribe appropriate procedures to assure coordination among representatives of the United States Government in each country, under the leadership of the Chief of the United States Diplomatic Mission.

##### "ELIGIBILITY FOR ASSISTANCE

"Sec. 503. (a) No military, economic, or technical assistance authorized pursuant to this act (other than assistance provided under section 408 (e) of the Mutual Defense Assistance Act of 1949, as amended) shall be supplied to any nation in order to further military effort unless the President finds that the supplying of such assistance will strengthen the security of the United States and unless the recipient country has agreed to—

"(1) join in promoting international understanding and good will, and maintaining world peace;

"(2) take such action as may be mutually agreed upon to eliminate causes of international tension;

"(3) fulfill the military obligations which it has assumed under multilateral or bilateral agreements or treaties to which the United States is a party;

"(4) make, consistent with its political and economic stability, the full contribution permitted by its manpower, resources, facilities, and general economic condition to the development and maintenance of its own defensive strength and the defensive strength of the free world;

"(5) take all reasonable measures which may be needed to develop its defense capacities; and

"(6) take appropriate steps to insure the effective utilization of the economic and military assistance provided by the United States.

"(b) No economic or technical assistance shall be supplied to any other nation unless the President finds that the supplying of such assistance will strengthen the security of the United States and promote world peace, and unless the recipient country has agreed to join in promoting international understanding and good will, and in maintaining world peace, and to take such action as may be mutually agreed upon to eliminate causes of international tension.

##### "RESPONSIBILITIES OF SECRETARY OF DEFENSE

"Sec. 504. In the case of aid under this act for military items and related technical assistance and advice, the Secretary of Defense shall have primary responsibility and authority for—

"(a) the determination of military end-item requirements;

"(b) the procurement of military equipment in a manner which permits its integration with service programs;

"(c) establishment of priorities in procurement and deliveries, the allocation of military equipment and the apportionment of funds between services and countries within each area specified in the act;

"(d) the supervision of end-item use by the recipient countries;

"(e) the supervision of the training of foreign military personnel; and

"(f) the movement and delivery of military end items.

##### "TERMINATION OF ASSISTANCE

"Sec. 505. (a) After June 30, 1954, or after the date of the passage of a concurrent resolution by the two Houses of Congress before such date, none of the authority conferred by the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1571-1604) may be exercised; except that during the 12 months following such date equipment, materials, commodities, and services with respect to which procurement for, shipment to, or delivery in a recipient country had been authorized prior to such date, may be transferred to such country, and funds appropriated under authority of this act may be obligated during such 12-month period for the necessary expenses of procurement, shipment, delivery, and other activities essential to such transfer and shall remain available during such period for the necessary expenses of liquidating operations under this act.

"(b) At such time as the President shall find appropriate after such date, and prior to the expiration of the 12 months following such date, the powers, duties, and authority conferred by the Mutual Defense Assistance Act of 1949, as amended, may be transferred for the purpose of liquidation to such other departments, agencies, or establishments of the Government as the President shall specify, and the relevant funds, records, property and personnel may be transferred to the departments, agencies, or establishments to which the related functions are transferred.



"(c) On or before March 30, 1952, the President shall submit to the Congress a reorganization plan under the Reorganization Act of 1949 (5 U. S. C. 1332) abolishing the Economic Cooperation Administration and transferring such of the powers and functions conferred upon the Administrator by the Economic Cooperation Act of 1948, as amended, as are necessary to carry out the purposes of the Mutual Security Act of 1951, to such other agency, or agencies, of the Government, as appropriate, and the powers and functions so transferred shall notwithstanding the provisions of section 122 of the Economic Cooperation Act of 1948, as amended, continue until July 1, 1954, unless terminated earlier by concurrent resolution of the two Houses of Congress. The liquidation provisions of section 122 of the Economic Cooperation Act of 1948, as amended, shall become effective on July 1, 1954, or the effective date of such concurrent resolution, whichever is earlier, and be administered by the agency or agencies to which any such power or function is transferred.

#### "TERMINATION OF ASSISTANCE BY PRESIDENT

"SEC. 506. The President shall terminate all or part of any assistance furnished pursuant to this act under any of the following circumstances:

"(a) If requested by any nation to which assistance is being rendered;

"(b) If the President determines that the furnishing of assistance to any nation is no longer consistent with the national interest or security of the United States or the policies and purposes of this act; or

"(c) If the President determines that provisions of assistance would contravene any decision of the Security Council of the United Nations, or if the President otherwise determines that provision of assistance to any nation would be inconsistent with the obligation of the United States under the Charter of the United Nations to refrain from giving assistance to any nation against which the United Nations is taking preventative or enforcement action or in respect of which the General Assembly finds the continuance of such assistance is undesirable.

The function conferred herein shall be in addition to all other functions heretofore conferred with respect to the termination of military, economic, or technical assistance.

#### "EFFECTIVE DATE

"SEC. 507. All provisions of this act except section 503 shall take effect upon the date of its enactment. Such section shall take effect 90 days thereafter.

"SEC. 509. In order to promote the increased production, in areas covered by this act, of materials in which the United States is deficient, not to exceed \$55,000,000 of the funds authorized to be appropriated pursuant to section 101 (a) (2) of this act may be used pursuant to the authority contained in the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522).

"SEC. 510. (a) As used in this section—

"(1) the term 'invention' means an invention or discovery covered by a patent issued by the United States and

"(2) the term 'information' means information originated by or peculiarly within the knowledge of the owner thereof and those in privity with him, which is not available to the public and is subject to protection as property under recognized legal principles.

"(b) Whenever, in connection with the furnishing of any assistance in furtherance of the purpose of this act—

"(1) use within the United States, without authorization by the owner, shall be made of an invention, or

"(2) damage to the owner shall result from the disclosure of information by reason of acts of the United States or its officers or employees,

the exclusive remedy of the owner of such invention or information shall be by suit

against the United States in the Court of Claims or in the District Court of the United States for the district in which such owner is a resident for reasonable and entire compensation for unauthorized use or disclosure. In any such suit the United States may avail itself of any and all defenses, general or special, that might be pleaded by any defendant in a like action.

"(c) Before such suit against the United States has been instituted, the head of the appropriate department or agency of the Government, which has furnished any assistance in furtherance of the purpose of this act, is authorized and empowered to enter into an agreement with the claimant, in full settlement and compromise of any claim against the United States hereunder.

"(d) Except as otherwise provided by law, no recovery shall be had for any infringement of a patent committed more than 6 years prior to the filing of the complaint or counterclaim for infringement in the action, except that the period between the date of receipt by the Government of a written claim under subsection (c) above for compensation for infringement of a patent and the date of mailing by the Government of a notice to the claimant that his claim has been denied shall not be counted as part of the 6 years, unless suit is brought before the last-mentioned date.

"SEC. 511. The President, from time to time while funds appropriated for the purpose of this act continue to be available for obligation, shall transmit to the Congress, in lieu of any reports otherwise required by laws continued in effect by this act, reports covering each 6 months of operations in furtherance of the purpose of this act, except information the disclosure of which he deems incompatible with the security of the United States. The first such report shall cover the 6-month period commencing on the date this act becomes effective. Reports provided for under this section shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be, if the Senate or the House of Representatives, as the case may be, is not in session.

"SEC. 512. (a) Upon a determination by the President that it will further the purpose of this act, not to exceed \$10,000,000 of the funds made available pursuant to section 203 of this act and not to exceed \$25,000,000 of funds made available pursuant to section 302 of this act may be advanced to countries covered by said sections in return for equivalent amounts of the currency of such countries being made available to meet local currency needs of the aid programs in such countries pursuant to agreements made in advance with the United States: *Provided*, That except when otherwise prescribed by the President as necessary to the effective accomplishment of the aid programs in such countries, all funds so advanced shall be held under procedures set out in such agreements until used to pay for goods and services approved by the United States or until repaid to the United States for reimbursement to the appropriation from which drawn.

"(b) In order to assist in carrying out the provisions of the Economic Cooperation Act of 1948, as amended, not to exceed \$50,000,000 of funds made available under the authority of this act for assistance pursuant to the provisions of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522), may be used to acquire local currency for the purpose of increasing the production of materials in which the United States is deficient.

"SEC. 513. Funds realized from the sales of notes pursuant to section 111 (c) (2) of the Economic Cooperation Act of 1948, as amended, shall be available for making guaranties of investments in accordance with the applicable provisions of sections 111 (b) (3) and 111 (c) (2) of the Economic Cooperation

Act, as amended, in any area in which assistance is authorized by this act.

"SEC. 514. Funds made available for carrying out the provisions of title I of this act shall be available for the administrative expenses of carrying out the purposes of all of the titles of this act, including expenses incident to United States participation in international security organizations and expenses in the United States in connection with programs authorized under the Act for International Development. Any currency of any nation received by the United States for its own use in connection with assistance furnished by the United States may be used by any agency of the Government without reimbursement from any appropriation for the administrative and operating expenses of carrying out the purpose of this act. Funds made available for carrying out the purpose of this act in the Federal Republic of Germany may, as authorized in subsection 114 (h) of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1512 (h)), be transferred by the President to any department or agency for the expenses necessary to meet the responsibilities and obligations of the United States in the Federal Republic of Germany.

"SEC. 515. Section 115 (b) (6) of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1513 (b) (6)), is hereby amended by—

"(a) inserting in the second proviso thereof after 'wealth' the following: 'for the encouragement of emigration pursuant to subsection (e) of this section';

"(b) adding in the last clause of the second proviso 'and operating' after 'administrative';

"(c) striking from the last clause of the second proviso 'within such country';

"(d) substituting in the fourth proviso the words 'upon termination of assistance to such country under this act' in place of the words 'on June 30, 1952'; and

"(e) adding at the end thereof the following new sentences: 'The Administrator shall exercise the power granted to him by this paragraph to make agreements with respect to the use of the funds deposited in the special accounts of the countries receiving assistance under the Mutual Defense Assistance Act of 1949, as amended, in such a manner that the equivalent of not less than \$500,000,000 of such funds shall be used exclusively for military production, construction, equipment, and matériel in such countries. The amount to be devoted from each such special account for such use shall be agreed upon by the Administrator and the country or countries concerned.'

"SEC. 516. (a) The President shall make appropriate arrangements with each nation receiving equipment or material under the Mutual Defense Assistance Act of 1949, as amended (other than equipment or material furnished under terms requiring the nation to reimburse the United States in full therefor), for the return to the United States (1) for salvage or scrap, or (2) for such other disposition as the President shall deem to be in the interest of mutual security, of any of such equipment or material as is no longer required for the purposes for which originally made available.

"(b) Section 408 (e) of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1580), is hereby amended by adding in the first proviso thereof, after the words 'of which it is a part', the words 'or in United Nations collective security arrangements and measures', and by changing the figure at the end of such section 408 (e) to '\$500,000,000'.

"SEC. 517. The proviso in the first sentence of section 403 (d) of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1574 (d)), is hereby amended to read as follows: 'Provided, That after June 30, 1950, such limitation shall be increased



by \$250,000,000 and after June 30, 1951, by an additional \$150,000,000."

"SEC. 518. (a) The Act for International Development is amended by adding before the period at the end of section 404 (b) the following: 'Provided, That for the fiscal year ending June 30, 1952, such contributions from funds made available under authority of section 101 (a) (2), 203, 302, and 402 of the Mutual Security Act of 1951 shall not exceed in the aggregate \$13,000,000, and the use of such contributions shall not be limited to the area covered by the section of the act from which the funds are drawn.'

"(b) Section 414 of such act is amended to read as follows:

"Sec. 414. No citizen or resident of the United States, whether or not now in the employ of the Government, may be employed or assigned to duties by the Government under this act for a period to exceed 3 months until such individual has been investigated by the Civil Service Commission and a report has been made to the Secretary of State: *Provided, however, That in the event the Civil Service Commission discovers evidence of disloyalty or that the individual may be a security risk the matter will then be referred to the Federal Bureau of Investigation for a full field investigation: Provided further, That no such individual may be employed or assigned to duties by the Government under this act until the Civil Service Commission has made a name check of the files of the Federal Bureau of Investigation and a report thereon has been made to the Secretary of State: Provided further, That, prior to the receipt of a report of the Civil Service Commission, persons may be given temporary employment without acquiring any civil-service status, exclusively for purposes of job training within the United States not involving access to any classified information: Provided further, That any present employee of the Government, pending the report as to such employee by the Civil Service Commission, may be employed or assigned to duties under this act for the period of 3 months from the date of its enactment. This section shall not apply in the case of any officer appointed by the President by and with the advice and consent of the Senate'."*

Mr. RICHARDS. Mr. Speaker, I offer a motion, which I send to the Clerk's desk.

The Clerk read as follows:

Mr. RICHARDS moves that the House recede from its disagreement to the Senate amendment and agree to the same with an amendment as follows: In lieu of the matter proposed in the Senate amendment insert the following:

"That this act may be cited as the 'Mutual Security Act of 1951.'

"SEC. 2. The Congress declares it to be the purpose of this act to maintain the security and to promote the foreign policy of the United States by authorizing military, economic, and technical assistance to friendly countries to strengthen the mutual security and individual and collective defenses of the free world, to develop their resources in the interest of their security and independence and the national interest of the United States and to facilitate the effective participation of those countries in the United Nations system for collective security. The purposes of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1571-1604), the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522), and the Act for International Development (22 U. S. C. 1557) shall hereafter be deemed to include this purpose.

#### "TITLE I—EUROPE

"SEC. 101. (a) In order to support the freedom of Europe through assistance which will further the carrying out of the plans for defense of the North Atlantic area, while at

the same time maintaining the economic stability of the countries of the area so that they may meet their responsibilities for defense, and to further encourage the economic unification and the political federation of Europe, there are hereby authorized to be appropriated to the President for the fiscal year 1952 for carrying out the provisions and accomplishing the policies and purpose of this act—

"(1) not to exceed \$5,028,000,000 for assistance pursuant to the provisions of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1571-1604), for countries which are parties to the North Atlantic Treaty and for any country of Europe (other than a country covered by another title of this Act), which the President determines to be of direct importance to the defense of the North Atlantic area and whose increased ability to defend itself the President determines is important to the preservation of the peace and security of the North Atlantic area and to the security of the United States (any such determination to be reported forthwith to the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, and the Committees on Armed Services of the Senate and of the House of Representatives), and not to exceed \$100,000,000 of such appropriation for any selected persons who are residing in or escapees from the Soviet Union, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Albania, Lithuania, Latvia, and Estonia, or the Communist-dominated or Communist-occupied areas of Germany and Austria, and any other countries absorbed by the Soviet Union either to form such persons into elements of the military forces supporting the North Atlantic Treaty Organization or for other purposes, when it is similarly determined by the President that such assistance will contribute to the defense of the North Atlantic area and to the security of the United States. In addition, unexpended balances of appropriations heretofore made for carrying out the purposes of the Mutual Defense Assistance Act of 1949, as amended, through assistance to any of the countries covered by this paragraph are hereby authorized to be continued available through June 30, 1952, and to be consolidated with the appropriation authorized by this paragraph. Section 408 (c) of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1579), is hereby repealed.

"(2) not to exceed \$1,022,000,000 for assistance pursuant to the provisions of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522) (including assistance to further European military production), for any country of Europe covered by paragraph (1) of this subsection and for any other country covered by section 103 (a) of the said Economic Cooperation Act of 1948, as amended. In addition, unexpended balances of appropriations heretofore made for carrying out the purposes of the Economic Cooperation Act of 1948, as amended, are hereby authorized to be continued available through June 30, 1952, and to be consolidated with the appropriation authorized by this paragraph: *Provided, That not to exceed \$10,000,000 of the funds made available pursuant to this paragraph may be utilized to effectuate the principles set forth in section 115 (e) of the Economic Cooperation Act of 1948, as amended.*

"(b) Not to exceed 10 percent of the total of the appropriations granted pursuant to this section may be transferred, when determined by the President to be necessary for the purpose of this act, between appropriations granted pursuant to either paragraph of subsection (a): *Provided, That the amount herein authorized to be transferred shall be determined without reference to any balances of prior appropriations continued available pursuant to this section: Provided further, That, whenever the President makes*

any such determination, he shall forthwith notify the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, and the Committees on Armed Services of the Senate and of the House of Representatives.

#### "TITLE II—NEAR EAST AND AFRICA

"SEC. 201. In order to further the purpose of this act by continuing to provide military assistance to Greece, Turkey, and Iran, there are hereby authorized to be appropriated to the President for the fiscal year 1952, not to exceed \$396,250,000 for furnishing assistance to Greece and Turkey pursuant to the provisions of the act of May 22, 1947, as amended (22 U. S. C. 1401-1410), and for furnishing assistance to Iran pursuant to the provisions of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1571-1604). In addition, unexpended balances of appropriations heretofore made for assistance to Greece and Turkey, available for the fiscal year 1951, pursuant to the act of May 22, 1947, as amended, and for assistance to Iran pursuant to the Mutual Defense Assistance Act of 1949, as amended, are hereby authorized to be continued available through June 30, 1952, and to be consolidated with the appropriation authorized by this section.

"SEC. 202. Whenever the President determines that such action is essential for the purpose of this act, he may provide assistance, pursuant to the provisions of the Mutual Defense Assistance Act of 1949, as amended, to any country of the Near East area (other than those covered by section 201) and may utilize not to exceed 10 percent of the amount made available (excluding balances of prior appropriations continued available) pursuant to section 201 of this act: *Provided, That any such assistance may be furnished only upon determination by the President that (1) the strategic location of the recipient country makes it of direct importance to the defense of the Near East area, (2) such assistance is of critical importance to the defense of the free nations, and (3) the immediately increased ability of the recipient country to defend itself is important to the preservation of the peace and security of the area and to the security of the United States.*

"SEC. 203. In order to further the purpose of this act in Africa and the Near East, there are hereby authorized to be appropriated to the President, for the fiscal year 1952, not to exceed \$160,000,000 for economic and technical assistance in Africa and the Near East in areas other than those covered by section 103 (a) of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1502). Funds appropriated pursuant to this section shall be available under the applicable provisions of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522), and of the Act for International Development (22 U. S. C. 1557).

"SEC. 204. Not to exceed \$50,000,000 of the funds authorized under section 203 hereof may be contributed to the United Nations during the fiscal year 1952, for the purposes, and under the provisions, of the United Nations Palestine Refugee Aid Act of 1950 (22 U. S. C. 1556): *Provided, That, whenever the President shall determine that it would more effectively contribute to the purposes of the said United Nations Palestine Refugee Aid Act of 1950, he may allocate any part of such funds to any agency of the United States Government to be utilized in furtherance of the purposes of said act and any amount so allocated shall be a part of the United States contribution to the United Nations Relief and Works Agency for Palestine Refugees in the Near East and shall be so credited by said Agency.*

"SEC. 205. In order to assist in the relief of refugees coming into Israel, not to exceed \$50,000,000 of the funds authorized under section 203 hereof may be utilized during the fiscal year 1952, under such terms and



conditions as the President may prescribe, for specific refugee relief and resettlement projects in Israel.

#### "TITLE III—ASIA AND PACIFIC

"Sec. 301. In order to carry out in the general area of China (including the Republic of the Philippines and the Republic of Korea) the provisions of subsection (a) of section 303 of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1604 (a)), there are hereby authorized to be appropriated to the President for the fiscal year 1952, not to exceed \$535,250,000. In addition, unexpended balances of appropriations heretofore made for carrying out the provisions of title III of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1602-1604), are hereby authorized to be continued available through June 30, 1952, and to be consolidated with the appropriation authorized by this section. Not to exceed \$50,000,000 of funds appropriated pursuant to this section (excluding balances of appropriations continued available) may be accounted for as provided in subsection (a) of said section 303.

"Sec. 302. (a) In order to further the purpose of this act through the strengthening of the area covered in section 301 of this act (but not including the Republic of Korea), there are hereby authorized to be appropriated to the President, for the fiscal year 1952, not to exceed \$237,500,000 for economic and technical assistance in those portions of such area which the President deems to be not under Communist control. Funds appropriated pursuant to authority of this section shall be available under the applicable provisions of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522), and of the Act for International Development (22 U. S. C. 1557). In addition, unexpended balances of funds heretofore made available for carrying out the purposes of the China Area Aid Act of 1950 (22 U. S. C. 1547), are hereby authorized to be continued available through June 30, 1952, and to be consolidated with the appropriation authorized by this section.

"(b) The third proviso of section 202 of the China Area Aid Act of 1950 is amended by inserting 'and of Korea' after 'selected citizens of China' the first time it appears therein.

"Sec. 303. (a) In order to provide for a United States contribution to the United Nations Korean Reconstruction Agency, established by the resolution of the General Assembly of the United Nations of December 1, 1950, there are hereby authorized to be appropriated to the President not to exceed \$45,000,000. In addition, unobligated balances of the appropriations heretofore made, and available during the fiscal year 1951, for assistance to Korea under authority of the Far Eastern Economic Assistance Act of 1950, as amended (22 U. S. C. 1543, 1551, 1552), are hereby authorized to be continued available through June 30, 1952, and to be consolidated with the appropriation authorized by this section. Not to exceed 50 percent of the total of the appropriations authorized by this section may, when determined by the President to be necessary for the purpose of this act, be transferred to and consolidated with the appropriation authorized by paragraph 302 (a).

"(b) The sums made available pursuant to subsection (a) may be contributed from time to time on behalf of the United States in such amounts as the President determines to be appropriate to support those functions of the United Nations Korean Reconstruction Agency which the military situation in Korea permits the agency to undertake pursuant to arrangements between the agency and the United Nations Unified Command. The aggregate amount which may be contributed on behalf of the United States pursuant to

the preceding sentence shall be reduced by the value of goods and services made available to Korea by any department or agency of the United States for relief and economic assistance after the assumption of responsibility for relief and rehabilitation operations in Korea by the United Nations Korean Reconstruction Agency.

"(c) The provisions of subsections 304 (a) and (b) of the United Nations Palestine Refugee Aid Act of 1950 (22 U. S. C. 1556 (b)) are hereby made applicable with respect to Korean assistance furnished under this section.

"(d) Unencumbered balances of sums heretofore or hereafter deposited in the special account established pursuant to paragraph (2) of article V of the agreement of December 10, 1948, between the United States of America and the Republic of Korea (62 Stat., pt. 3, 3788) shall be used in Korea for such purposes as the President determines to be consistent with United Nations programs for assistance to Korea and as may be agreed to between the Government of the United States and the Republic of Korea.

"(e) The function of the Administrator for Economic Cooperation under the provisions of section 3 of the Far Eastern Economic Assistance Act of 1950, as amended (22 U. S. C. 1551), shall hereafter be performed by such departments or agencies of the Government as the President shall direct.

#### "TITLE IV—AMERICAN REPUBLICS

"Sec. 401. In order to further the purpose of this act through the furnishing of military assistance to the other American Republics, there are hereby authorized to be appropriated to the President, for the fiscal year 1952, not to exceed \$38,150,000 for carrying out the purpose of this section under the provisions of the Mutual Defense Assistance Act of 1949, as amended: *Provided*, That such assistance may be furnished only in accordance with defense plans which are found by the President to require the recipient country to participate in missions important to the defense of the Western Hemisphere. Any such assistance shall be subject to agreements, as provided herein and as required by section 402 of the Mutual Defense Assistance Act of 1940, as amended (22 U. S. C. 1673), designed to assure that the assistance will be used to promote the defense of the Western Hemisphere; and after agreement by the Government of the United States and the country concerned with respect to such missions, military assistance hereunder shall be furnished only in accordance with such agreement.

"Sec. 402. In order to further the purpose of this act among the peoples of the American Republics through the furnishing of technical assistance, there are hereby authorized to be appropriated to the President, for the fiscal year 1952, not to exceed \$21,250,000 for assistance under the provisions of the Act for International Development (22 U. S. C. 1557) and of the Institute of Inter-American Affairs Act, as amended (22 U. S. C. 281).

#### "TITLE V—ORGANIZATION AND GENERAL PROVISIONS

##### "UNIFIED DIRECTION OF PROGRAM

"Sec. 501. (a) In order that the programs of military, economic, and technical assistance authorized by this act may be administered as parts of a unified program in accordance with the intent of Congress and to fix responsibility for the coordination and supervision of these programs in a single person, the President is authorized to appoint in the Executive Office of the President a Director for Mutual Security. The Director, on behalf of the President and subject to his direction, shall have primary responsibility for—

"(1) continuous supervision and general direction of the assistance programs under

this act to the end that such programs shall be (A) effectively integrated both at home and abroad, and (B) administered so as to assure that the defensive strength of the free nations of the world shall be built as quickly as possible on the basis of continuous and effective self-help and mutual aid;

"(2) preparation and presentation to the Congress of such programs of foreign military, economic, and technical assistance as may be required in the interest of the security of the United States;

"(3) preparation for the President of the report to the Congress required by section 518 of this act.

"(b) Except as otherwise provided by this act, the Director shall not hold any other office or employment under the United States and shall not have any other responsibilities except those directly related to the coordination, supervision, and direction of the programs covered by this act or otherwise conferred upon him by law.

"(c) The Director shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of \$22,500 per annum.

"(d) For the purpose of carrying out the provisions of this section, the President is authorized to utilize the positions created in subsection 406 (e) of the Mutual Defense Assistance Act of 1949, as amended. No person may serve in any such position under this subsection while at the same time he is an officer or employee of any other department or agency of the Government.

"(e) (1) The fourth paragraph of section 101 (a) of the National Security Act of 1947, as amended (50 U. S. C. 402 (a)), is amended by inserting after clause (4) the following:

"(5) the Director for Mutual Security; and by renumbering clauses (5) and (6) thereof as clauses (6) and (7), respectively.

"(2) Section 4 (a) of Public Law 171, Seventy-ninth Congress, as amended (59 Stat. 512), is amended by striking out 'Economic Cooperation Administration' and inserting in lieu thereof 'Mutual Security Agency' and by striking out 'Administrator for Economic Cooperation' and inserting in lieu thereof 'Director for Mutual Security.'

#### "MUTUAL SECURITY AGENCY

"Sec. 502. (a) The Economic Cooperation Administration and the offices of Administrator for Economic Cooperation, Deputy Administrator, United States special representative in Europe, and deputy special representative are hereby abolished.

"(b) To assist in carrying out the purpose of this act—

"(1) there is hereby established, with its principal office at the seat of the Government, a Mutual Security Agency, hereinafter referred to as the Agency, which shall be headed by the Director for Mutual Security; and

"(2) there shall be transferred to the Director the powers, functions, and responsibilities conferred upon the Administrator for Economic Cooperation by the Economic Cooperation Act of 1948, as amended, and by any other law, but no such powers, functions, and responsibilities shall be exercised after June 30, 1952, except as provided in subsection (c) of this section.

"(c) Not later than April 1, 1952, the President shall inform the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives which of the powers, functions, and responsibilities transferred to the Director by subsection (b) (2) are found by the President to be necessary to enable the Director after June 30, 1952, to carry out the duties conferred upon him by section 503. The termination provisions of section 122 of the Economic Cooperation Act of 1948, as amended, shall come into effect on June 30, 1952, and none of the powers, functions, and responsibilities conferred by that act

shall be exercised after that date, except those powers, functions, and responsibilities found necessary to enable the Director to carry out the duties conferred on him by section 503 of this act, which powers, functions, and responsibilities unless otherwise provided by law shall continue in effect until June 30, 1954.

#### "ADDITIONAL DUTIES OF DIRECTOR FOR MUTUAL SECURITY

"SEC. 503. After June 30, 1952, the Director, on behalf of the President and subject to his direction, shall, in consultation with the Secretaries of State and Defense, continue to have primary responsibility for—

"(a) the development and administration of programs of assistance designed to sustain and increase military effort, including production, construction, equipment and matériel in each country or in groups of countries which receive United States military assistance;

"(b) the provision of such equipment, materials, commodities, services, financial, or other assistance as he finds to be necessary for carrying out mutual defense programs; and

"(c) the provision of limited economic assistance to foreign nations for which the United States has responsibility as a result of participation in joint control arrangements when the President finds that the provision of such economic assistance is in the interest of the security of the United States.

#### "APPOINTMENT AND TRANSFER OF PERSONNEL

"SEC. 504. (a) To carry out the functions conferred by sections 502 and 503 of this act, there shall be in the Agency a Deputy Director, a special representative in Europe, and a deputy special representative in Europe, who shall be appointed by the President by and with the advice and consent of the Senate, and shall have status and receive compensation comparable to the equivalent positions under the Economic Cooperation Act of 1948, as amended.

"(b) Any personnel of the Economic Cooperation Administration, upon the certification of the Director for Mutual Security and with the approval of the Director of the Bureau of the Budget that such personnel are necessary to carry out the functions of the Director for Mutual Security, and all records and property of such administration which the Director of the Bureau of the Budget determines are used primarily in the administration of the powers and functions transferred to the Director for Mutual Security by this act, shall be transferred to the Mutual Security Agency.

"(c) Of the personnel transferred to or employed by the Mutual Security Agency, not to exceed 50 may be compensated at rates higher than those provided for grade 15 of the general schedule established by the Classification Act of 1949, as amended, and of these, not to exceed 15 may be compensated at a rate in excess of the highest rate provided for grades of such general schedule but not in excess of \$15,000 per annum. Such positions shall be in addition to the number authorized by section 505 of the Classification Act of 1949, as amended.

"(d) On and after January 1, 1952, the number of United States citizens employed by the Mutual Security Agency shall be at least 10 percent less than the number employed by the Economic Cooperation Administration on August 31, 1951: *Provided*, That the Director for Mutual Security shall cause studies to be made from time to time for the purpose of determining whether further reductions in personnel are feasible and consistent with the accomplishment of the purposes of this act.

#### "THE SECRETARY OF STATE

"SEC. 505. Nothing contained in this act shall be construed to infringe upon the powers or functions of the Secretary of State.

#### "THE SECRETARY OF DEFENSE

"SEC. 506. (a) In the case of aid under this act for military end items and related technical assistance and advice, the Secretary of Defense shall have primary responsibility and authority for—

"(1) the determination of military end-item requirements;

"(2) the procurement of military equipment in a manner which permits its integration with service programs;

"(3) the supervision of end-item use by the recipient countries;

"(4) the supervision of the training of foreign military personnel; and

"(5) the movement and delivery of military end items.

"(b) The establishment of priorities in the procurement, delivery, and allocation of military equipment shall be determined by the Secretary of Defense. The apportionment of funds between countries shall be determined by the President.

"(c) Notwithstanding any other provision of law, during the fiscal year 1952 the Secretary of Defense may furnish (subject to reimbursement from funds appropriated pursuant to this act) military assistance out of the materials of war whose production in the United States shall have been authorized for, and appropriated to, the Department of Defense: *Provided, however*, That nothing in this act shall authorize the furnishing of military items under this subsection in excess of \$1,000,000,000 in value. For the purposes of this subsection (1) 'value' shall be determined in accordance with section 402 (c) of the Mutual Defense Assistance Act of 1949, as amended, and (2) the term 'materials of war' means those goods, commonly known as military items, which are required for the performance of their missions by armed forces of a nation, including weapons, military vehicles, ships of war under 1,500 tons, aircraft, military communications equipment, ammunition, maintenance parts and spares, and military hardware.

#### "OVERSEAS COORDINATION

"SEC. 507. The President shall prescribe appropriate procedures to assure coordination among representatives of the United States Government in each country, under the leadership of the Chief of the United States Diplomatic Mission.

#### "RELATIONSHIP TO TECHNICAL COOPERATION ADMINISTRATION AND INSTITUTE OF INTER-AMERICAN AFFAIRS

"SEC. 508. Nothing in this act shall be construed to modify the provisions of section 412 of the act for international development or the provisions of the Institute of Inter-American Affairs Act.

#### "DETAILS OF PERSONNEL TO FOREIGN GOVERNMENTS AND INTERNATIONAL ORGANIZATIONS

"SEC. 509. Whenever the President determines it to be consistent with and in furtherance of the purpose of this act, the head of any Government agency is authorized to—

"(a) detail or assign any officer or employee of his agency to any office or position to which no compensation is attached with any foreign government or foreign government agency: *Provided*, That such acceptance of office shall in no case involve the taking of an oath of allegiance to another government; and

"(b) detail, assign, or otherwise make available to any international organization in which the United States participates, any officer or employee of his agency to serve with or as a member of the international staff of such organizations.

Any such officer or employee, while so assigned or detailed, shall be considered, for the purpose of preserving his privileges, rights, seniority, or other benefits as such, an officer or employee of the Government of the United States and of the Government

agency from which assigned or detailed, and he shall continue to receive compensation, allowances, and benefits from funds made available to that agency out of funds authorized under this act.

#### "SECURITY CLEARANCE

"SEC. 510. No citizen or resident of the United States may be employed, or if already employed, may be assigned to duties by the Director or the Secretary of State under this act or the act for international development for a period to exceed 3 months unless (a) such individual has been investigated as to loyalty and security by the Federal Bureau of Investigation and a report thereon has been made to the Director or the Secretary of State, as the case may be, and until the Director or the Secretary of State has certified in writing (and filed copies thereof with the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs) that, after full consideration of such report, he believes such individual is loyal to the United States, its Constitution, and form of government, and is not now and has never been a member of any organization advocating contrary views; or (b) such individual has been investigated by a military intelligence agency and the Secretary of Defense has certified in writing that he believes such individual is loyal to the United States and filed copies thereof with the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs. This section shall not apply in the case of any officer appointed by the President by and with the advice and consent of the Senate, nor shall it apply in the case of any person already employed under programs covered by this act who has been previously investigated in connection with such employment.

#### "ELIGIBILITY FOR ASSISTANCE

"SEC. 511. (a) No military, economic, or technical assistance authorized pursuant to this act (other than assistance provided under section 408 (e) of the Mutual Defense Assistance Act of 1949, as amended) shall be supplied to any nation in order to further military effort unless the President finds that the supplying of such assistance will strengthen the security of the United States and unless the recipient country has agreed to—

"(1) join in promoting international understanding and good will, and maintaining world peace;

"(2) take such action as may be mutually agreed upon to eliminate causes of international tension;

"(3) fulfill the military obligations which it has assumed under multilateral or bilateral agreements or treaties to which the United States is a party;

"(4) make, consistent with its political and economic stability, the full contribution permitted by its manpower, resources, facilities, and general economic condition to the development and maintenance of its own defensive strength and the defensive strength of the free world;

"(5) take all reasonable measures which may be needed to develop its defense capacities; and

"(6) take appropriate steps to insure the effective utilization of the economic and military assistance provided by the United States.

"(b) No economic or technical assistance shall be supplied to any other nation unless the President finds that the supplying of such assistance will strengthen the security of the United States and promote world peace, and unless the recipient country has agreed to join in promoting international understanding and good will, and in maintaining world peace, and to take such action



as may be mutually agreed upon to eliminate causes of international tension.

#### "FUTURE AUTHORIZATIONS

"SEC. 512. In order to carry out the purpose of this act, with respect to those countries eligible to receive assistance as provided herein, funds shall be available as authorized and appropriated to the President each fiscal year.

#### "TRANSPORTATION BETWEEN TITLES

"SEC. 513. Whenever the President determines it to be necessary for the purpose of this act, not to exceed 10 percent of the funds made available under any title of this act may be transferred to and consolidated with funds made available under any other title of this act in order to furnish, to a different area, assistance of the kind for which such funds were available before transfer. Whenever the President makes any such determination, he shall forthwith notify the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives. In the case of the transfer of funds available for military purposes, he shall also forthwith notify the Committees on Armed Services of the Senate and House of Representatives.

#### "STRATEGIC MATERIALS

"SEC. 514. In order to promote the increased production, in areas covered by this act, of materials in which the United States is deficient, not to exceed \$55,000,000 of the funds authorized to be appropriated pursuant to section 101 (a) (2) of this act may be used pursuant to the authority contained in the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522).

#### "PROTECTION AGAINST ATTACHMENT

"SEC. 515. All countries participating in any United States aid program or in any international organization receiving United States aid shall be required to so deposit, segregate, or assure title to all funds allocated to or derived from any program so that the same shall not be subject to garnishment, attachment, seizure, or other legal process by any person, firm, agency, corporation, organization, or government when in the opinion of the Director any such action would interfere with the attainment of the objectives of this act.

#### "ENCOURAGEMENT OF FREE ENTERPRISE

"SEC. 516. It is hereby declared to be the policy of the Congress that this act shall be administered in such a way as (1) to eliminate the barriers to, and provide the incentives for, a steadily increased participation of free private enterprise in developing the resources of foreign countries consistent with the policies of this act, (2) to the extent that it is feasible and does not interfere with the achievement of the purposes set forth in this act, to discourage the cartel and monopolistic business practices prevailing in certain countries receiving aid under this act which result in restricting production and increasing prices, and to encourage where suitable competition and productivity, and (3) to encourage where suitable the development and strengthening of the free labor union movements as the collective bargaining agencies of labor within such countries.

#### "PATENTS AND TECHNICAL INFORMATION

"SEC. 517. (a) As used in this section—  
 "(1) the term 'invention' means an invention or discovery covered by a patent issued by the United States, and  
 "(2) the term 'information' means information originated by or peculiarly within the knowledge of the owner thereof and those in privity with him, which is not available to the public and is subject to protection as property under recognized legal principles.

"(b) Whenever, in connection with the furnishing of any assistance in furtherance of the purpose of this act—

"(1) use within the United States, without authorization by the owner, shall be made of an invention, or

"(2) damage to the owner shall result from the disclosure of information by reason of acts of the United States or its officers or employees,

the exclusive remedy of the owner of such invention or information shall be by suit against the United States in the Court of Claims or in the district court of the United States for the district in which such owner is a resident for reasonable and entire compensation for unauthorized use or disclosure. In any such suit the United States may avail itself of any and all defenses, general or special, that might be pleaded by any defendant in a like action.

"(c) Before such suit against the United States has been instituted, the head of the appropriate department or agency of the Government, which has furnished any assistance in furtherance of the purpose of this act, is authorized and empowered to enter into an agreement with the claimant, in full settlement and compromise of any claim against the United States hereunder.

"(d) The provisions of the last sentence of section 1498 of title 28 of the United States Code shall apply to inventions and information covered by this section.

"(e) Except as otherwise provided by law, no recovery shall be had for any infringement of a patent committed more than 6 years prior to the filing of the complaint or counterclaim for infringement in the action, except that the period between the date of receipt by the Government of a written claim under subsection (c) above for compensation for infringement of a patent and the date of mailing by the Government of a notice to the claimant that his claim has been denied shall not be counted as part of the 6 years, unless suit is brought before the last-mentioned date.

#### "REPORTS

"SEC. 518. The President, from time to time while funds appropriated for the purpose of this act continue to be available for obligation, shall transmit to the Congress, in lieu of any reports otherwise required by laws continued in effect by this act, reports covering each 6 months of operations in furtherance of the purpose of this act, except information the disclosure of which he deems incompatible with the security of the United States. The first such report shall cover the 6-month period commencing on the date this act becomes effective. Reports provided for under this section shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be, if the Senate or the House of Representatives, as the case may be, is not in session.

#### "LOCAL CURRENCY

"SEC. 519. (a) Upon a determination by the Director that it will further the purpose of this act, not to exceed \$10,000,000 of the funds made available pursuant to section 203 of this act and not to exceed \$25,000,000 of funds made available pursuant to section 302 of this act may be advanced to countries covered by said sections in return for equivalent amounts of the currency of such countries being made available to meet local currency needs of the aid programs in such countries pursuant to agreements made in advance with the United States: *Provided*, That except when otherwise prescribed by the Director as necessary to the effective accomplishment of the aid programs in such countries, all funds so advanced shall be held under procedures set out in such agreements until used to pay for goods and services approved by the United States or until

repaid to the United States for reimbursement to the appropriation from which drawn.

"(b) In order to assist in carrying out the provisions of the Economic Cooperation Act of 1948, as amended, not to exceed \$50,000,000 of funds made available under the authority of this act for assistance pursuant to the provisions of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522), may be used to acquire local currency for the purpose of increasing the production of materials in which the United States is deficient.

#### "GUARANTIES

"SEC. 520. Funds realized from the sales of notes pursuant to section 111 (c) (2) of the Economic Cooperation Act of 1948, as amended, shall be available for making guaranties of investments in accordance with the applicable provisions of sections 111 (b) (3) and 111 (c) (2) of the Economic Cooperation Act, as amended, in any area in which assistance is authorized by this act.

#### "ADMINISTRATIVE EXPENSES

"SEC. 521. Funds made available for carrying out the provisions of title I of this act shall be available for United States participation in the acquisition or construction of facilities in foreign countries for collective defense: *Provided*, That no part of such funds shall be expended for rental or purchase of land or for payment of taxes. Such funds shall also be available for the administrative expenses of carrying out the purposes of all of the titles of this act, including expenses incident to United States participation in international security organizations and expenses in the United States in connection with programs authorized under the Act for International Development. Any currency of any nation received by the United States for its own use in connection with assistance furnished by the United States may be used by any agency of the Government without reimbursement from any appropriation for the administrative and operating expenses of carrying out the purpose of this act. Funds made available for carrying out the purpose of this act in the Federal Republic of Germany may, as authorized in subsection 114 (h) of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1512 (h)), be transferred by the President to any department or agency for the expenses necessary to meet the responsibilities and obligations of the United States in the Federal Republic of Germany.

#### "LOANS

"SEC. 522. Section 111 (c) of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1501-1522), is hereby amended by adding a new paragraph as follows:

"(3) Of the assistance provided under the applicable provisions of this act with funds made available under the authority of the Mutual Security Act of 1951, as great an amount (in no event less than 10 percent) as possible shall be provided on credit terms."

#### "USE OF COUNTERPART

"SEC. 523. Section 115 (b) (6) of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1513 (b) (6)), is hereby amended by—

"(a) inserting in the second proviso thereof after 'wealth' the following: 'for the encouragement of emigration pursuant to subsection (e) of this section';

"(b) adding in the last clause of the second proviso 'and operating' after 'administrative';

"(c) striking from the last clause of the second proviso 'within such country';

"(d) substituting in the fourth proviso the words 'upon termination of assistance

to such country under this act' in place of the words 'on June 30, 1952'; and

"(e) adding at the end thereof the following new sentences: 'The Administrator shall exercise the power granted to him by this paragraph to make agreements with respect to the use of the funds deposited in the special accounts of "participating countries" (as defined in sec. 103 (a) hereof) and any other countries receiving assistance under the Mutual Defense Assistance Act of 1949, as amended, in such a manner that the equivalent of not less than \$500,000,000 of such funds shall be used exclusively for military production, construction, equipment, and materiel in such countries. The amount to be devoted from each such special account for such use shall be agreed upon by the Administrator and the country or countries concerned.'

#### "RETURN OF EQUIPMENT

"SEC. 524. The President shall make appropriate arrangements with each nation receiving equipment or material under the Mutual Defense Assistance Act of 1949, as amended (other than equipment or material furnished under terms requiring the nation to reimburse the United States in full therefor), for the return to the United States (1) for salvage or scrap, or (2) for such other disposition as the President shall deem to be in the interest of mutual security, of any such equipment or material as is no longer required for the purposes for which originally made available.

#### "REIMBURSABLE AID

"SEC. 525. Section 408 (e) of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1580), is hereby amended by adding in the first proviso thereof, after the words 'of which it is a part', the words 'or in United Nations collective security arrangements and measures', and by changing the figure at the end of such section 408 (e) to '\$500,000,000.'

#### "EXCESS EQUIPMENT

"SEC. 526. The proviso in the first sentence of section 403 (d) of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1574 (d)), is hereby amended to read as follows: 'Provided, That after June 30, 1950, such limitation shall be increased by \$250,000,000 and after June 30, 1951, by an additional \$300,000,000.'

#### "CONGRESSIONAL COMMITTEE EXPENSES

"SEC. 527. Section 115 (h) of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1513 (h)) is amended by inserting before the period at the end thereof a comma and the following: 'including local currency requirements of appropriate committees of the Congress engaged in carrying out their duties under section 136 of the Legislative Reorganization Act of 1946.'

#### "UNITED NATIONS TECHNICAL ASSISTANCE

"SEC. 528. The Act for International Development is amended—

"(a) by adding before the period at the end of section 404 (b) the following: 'Provided, That for the fiscal year ending June 30, 1952, such contributions from funds made available under authority of sections 101 (a) (2), 203, 302, and 402 of the Mutual Security Act of 1951 shall not exceed in the aggregate \$13,000,000, and the use of such contributions shall not be limited to the area covered by the section of the act from which the funds are drawn.'

"(b) by adding at the end of section 407 a new paragraph:

"(d) Participating countries shall be encouraged to establish fair labor standards of wages and working conditions and management-labor relations.'

"(c) by repealing section 414.

#### "TERMINATION OF ASSISTANCE BY PRESIDENT

"SEC. 529. If the President determines that the furnishing of assistance to any nation—

"(a) is no longer consistent with the national interest or security of the United States or the policies and purpose of this act; or

"(b) would contravene a decision of the Security Council of the United Nations; or

"(c) would be inconsistent with the principle that members of the United Nations should refrain from giving assistance to any nation against which the Security Council or the General Assembly has recommended measures in case of a threat to, or breach of, the peace, or act of aggression,

he shall terminate all or part of any assistance furnished pursuant to this act. The function conferred herein shall be in addition to all other functions heretofore conferred with respect to the termination of military, economic, or technical assistance.

#### "EXPIRATION OF PROGRAM

"SEC. 530. (a) After June 30, 1954, or after the date of the passage of a concurrent resolution by the two Houses of Congress before such date, none of the authority conferred by this act or by the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1571-1604) may be exercised; except that during the 12 months following such date equipment, materials, commodities, and services with respect to which procurement for, shipment to, or delivery in a recipient country had been authorized prior to such date, may be transferred to such country, and funds appropriated under authority of this act may be obligated during such 12-month period for the necessary expenses of procurement, shipment, delivery, and other activities essential to such transfer and shall remain available during such period for the necessary expenses of liquidating operations under this act.

"(b) At such time as the President shall find appropriate after such date, and prior to the expiration of the 12 months following such date, the powers, duties, and authority conferred by this act and by the Mutual Defense Assistance Act of 1949, as amended, may be transferred for the purpose of liquidation to such other departments, agencies, or establishments of the Government as the President shall specify, and the relevant funds, records, property, and personnel may be transferred to the departments, agencies, or establishments to which the related functions are transferred.

#### "EFFECTIVE DATE

"SEC. 531. Sections 502 (a), (b) (2), and section 504 (b) of this act shall take effect on such date or dates as the President shall specify, but in no event later than 60 days after the date the Director first appointed takes office. Section 511 shall take effect 90 days after enactment of this act. All other provisions of this act shall take effect upon the date of its enactment."

Mr. RICHARDS (interrupting the reading of the motion). Mr. Speaker, I ask unanimous consent that the further reading of the motion be dispensed with and that it be printed in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. RANKIN. Reserving the right to object, Mr. Speaker, we would like to know the contents of the amendment. This is a very vital proposition, and I think the amendment ought to be read.

The SPEAKER. The Chair may state that the amendment is the conference

report with the deletion of the matter objected to by the gentleman from Kentucky [Mr. SPENCE].

Mr. RANKIN. Does it provide for the insertion of the very material which was knocked out on a point of order a while ago?

The SPEAKER. Not at all. The gentleman from South Carolina has offered a motion to concur in the Senate amendment, with an amendment, which is the conference report with this matter deleted.

Does the Chair properly state the situation?

Mr. RICHARDS. That is right.

Mr. WOLCOTT. Reserving the right to object, Mr. Speaker, as we understand it, the motion of the gentleman from South Carolina contains everything in the conference report known as the Senate amendment except subparagraph (3) having to do with the Director of Mutual Security going on the Board of Directors of the Export-Import Bank. This is contained on page 7 of the conference report. Is that correct?

Mr. RICHARDS. That is a correct statement. The amendment includes in essence the conference report except for section 501 (e) (3), shown on page 7 of the conference report, which is the provision that was just eliminated by a point of order.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RICHARDS. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I think the House conferees may justly take pride in this conference report. It may not include all that some may expect of the bill passed by the House, but it does include in essence its major provisions. Our desire was to adjust the differences between the two Houses without injury to the primary purposes of the House bill. To say the least we have succeeded in that purpose.

Let me say that although the conference was lengthy, it deliberated throughout in a spirit of friendly frankness on both sides, without bitterness or rancor, with both sides seeking common ground that would yield an agreement acceptable to both Houses. I also want to compliment my colleagues, the gentleman from Montana [Mr. MANSFIELD], the gentleman from Pennsylvania, Dr. MORGAN, the gentleman from Ohio [Mr. VORVYS], and the gentlewoman from Ohio [Mrs. BOLTON]. We worked as a team. Their confidence and backing made my task easier. Their ability and high purpose evident everywhere in the deliberations has my highest admiration; and I am sure the House shares these sentiments.

A conference of the type just concluded was not one where each side tried to get a victory over the other. The nature of the disagreement did not permit that. Although I believe the House bill was a good bill and would have made a good statute had the other body accepted it, I must say in all frankness that the version passed by the other body had a number of essential ideas that could not



be ignored. The conference agreement embodies the best features of both versions of this bill. It certainly contains the essential principles of the House bill.

The relatively small matters were cleared away early. There is no need to detain the House with a recital of these differences and how they were resolved. I want to confine my remarks, in the main, to two of the major features of the agreement: the amounts and the organizational features.

The total amount in the conference agreement is \$15,350,000 less than the amount of the House bill. The total amount for military assistance is \$5,997,650,000 or \$15,350,000 less than the House had voted. The total amount for economic assistance is the same as that voted by the House. Although the totals are nearly the same as those approved by the House, the distribution between titles represents the adjustment made by the committee of conference. In no case does any authorization in the conference agreement exceed a figure authorized by either the House bill or the Senate amendment.

Generally speaking, the agreement restored funds for Europe and Asia, leaving the amounts for the Near East and the American Republics the same as those approved by the Senate. In the opinion of the committee of conference, Europe and Asia are the areas where the present need for assistance is most urgent.

At first glance the agreed amount appears to be more than that authorized by the House. The apparent discrepancy is in the different base used for calculation by House and Senate. The Senate amount was \$880,500,000, including the \$55,000,000 for strategic materials. On this basis the House amount would be \$1,040,000,000, consisting of \$985,000,000 for Europe and \$55,000,000 for strategic-material development contained in a separate authorization in title VI of the House bill. Since the conference agreement provided that funds for strategic materials are to come from title I funds, the amount agreed upon is calculated in relation to comparable House and Senate figures. On this basis the agreed amount is actually \$18,000,000 less than the comparable House amount.

The House conferees were fully aware of the directive given to them by the House. With this in mind the conferees adjusted the amounts so as not to exceed the amount voted by the House.

Members may well ask why we restored funds to Europe at the expense of other regions of the world. We had to make a choice: Where are the funds needed most? In order to be sure of my ground, both in conference and here in the House, I cabled General Eisenhower to ask his judgment about the European scene. I believe the House would like to know what General Eisenhower said. Here are the principal parts of his reply to my cable:

When the committees of the Senate and the House of Representatives were here in connection with the mutual security program of fiscal 1952 \* \* \* I indicated \* \* \* that the proposed program of military aid was, in my judgment, a sound one from the

standpoint of the rapid buildup of European military forces and of gain in terms of United States security. Also that an essential component in this over-all effort was the related program of economic aid for the support of national economies upon which the military buildup depends. Military and economic developments here since that time have merely emphasized the obvious conclusion that economic and military strength are inseparable.

It should be understood that no recommendation of mine is intended to urge upon the interested committees any expenditure that is beyond the United States capability to support during the critical years during which the current tensions may logically be expected to persist. Within these limits I believe that it is to our interest to accomplish the total buildup quickly and in a limited period of time, rather than risk the dangers and costs of dragging it out. The United States role is to provide the initial impetus to the program through assistance in the equipping of forces, with maintenance, replacement and other future outlays shouldered by the European nations at the earliest practicable time. I am keenly aware of the heavy burden being borne by the United States during this rearmament period, and of our necessary expenditures in the Far East where a critical phase of the global struggle against communism is in progress. We here clearly appreciate the necessity of careful congressional judgment in balancing the scale of aid against United States capacity. Nevertheless, any serious cuts in the end item program or of materials required for increased industrial production in Europe will delay completion of our buildup program and, in my judgment, increase therefore the total cost. I have pressed, and will continue to press, our European allies to accelerate and expand, rather than retard and curtail their military effort. It is of great importance to our country's announced aims that nothing be done during the coming months to halt the growth of the military forces of the European countries. As an essential corollary, we must guard with greatest care against the threat of inflation and downward spiraling in the European strength and morale. Therefore, just as I stress the need for the maintenance of American solvency, I urge the importance of adequate provision for the support of the industrial foundation required to carry out successfully the increase of forces now scheduled during fiscal year 1952. \* \* \* In short, my attitude toward and my interest in the economic side is measured exclusively by its inescapable effect upon the over-all defense program. Therefore, I recommend that when final consideration is given to fixing the amount of military and economic aid from the United States under the fiscal year 1952 program, everything practicable be done to set the amount at a level which will adequately support the military build-up program as presented to the committee during their visit to Europe. With the complexity of this whole situation, it is obviously impossible to calculate the exact financial and economic requirements of Europe at this military headquarters. \* \* \* Nevertheless, the relationship is so clear that, at the very least, a considerable degree of flexibility should be permitted in the administration of the funds provided.

General Eisenhower's cable convinced the conferees that within the limits allowed to them, Europe was a first priority—for economic as well as military assistance funds. This is why the title I amounts are very close to what the House voted. I am sure the House will agree that this is a judgment in the best interests of the United States.

The conference agreement also gives particular attention to Asia and the Pacific area.

The amounts agreed upon for this area—title III—are \$535,250,000 for military assistance, and \$282,500,000 for economic assistance. The economic assistance funds consist of \$237,500,000 for general economic assistance and \$45,000,000 for Korean rehabilitation work.

The \$535,250,000 for military assistance is the amount the Senate approved, and is \$5,250,000 more than the House-approved amount. The committee of conference felt that the critical situation in Indochina and other areas of Asia made the higher amount necessary.

The \$237,500,000 for general economic assistance is the amount approved by the House.

The \$45,000,000 for Korean rehabilitation represents a compromise between the token amount of \$11,250,000 voted by the House and \$69,750,000 voted by the Senate. The committee of conference agreed that although Korean rehabilitation cannot proceed at once, the amount available should be sufficient to enable planning and financial operations to go forward.

We recognized, however, that the requirements for Korean rehabilitation cannot at this time be fixed with any precision. Undoubtedly, the United States will be called upon in the future to assist in this matter. The amount agreed upon does not foreclose further requests; neither is it an assurance that this country will in the future shoulder the major burden of resolving this problem.

The conference agreement contains a provision permitting the transfer of up to 50 percent—\$22,500,000—of the funds for Korea to general economic and technical assistance in those parts of the region not under Communist control. The importance of strengthening the region against the encroachment of Communist aggression on many fronts made this provision desirable.

The other major question before the conferees was organization. On this point, I believe the conference agreement embodies the essential principles that were in the House bill. These are:

First, Unified direction and control of and centralized responsibility for the mutual-security program.

Second, Termination of ECA as an agency forthwith and creation of a new agency to carry on any further activities.

Third, Completion of the European recovery program on schedule on June 30, 1952; and continuation of a military program until 1954.

The conference agreement provides an organization based on these principles.

On the first point—unified direction and control, and centralization of responsibility—the conference agreement creates a Director of Mutual Security, who will be in the executive office of the President, and whose appointment is subject to confirmation by the Senate. This officer, on behalf of the President and subject to his direction, has primary responsibility for continuous supervision and general direction of the assistance programs under this act. He also has primary responsibility for prep-

aration and presentation of assistance programs to the Congress. The Director of Mutual Security is not required to make every day-to-day decision; indeed, he should not. His task is to pull together, and keep together, the various aspects of the mutual-security program. He will have the power of decision where conflicts of policy occur; he will be responsible to the President and to the Congress for the efficient operation of the mutual-security program.

The Director also has another major responsibility. He is the head of the new Mutual Security Agency—the successor to ECA. In this position he is directly responsible for the operation of all economic programs under this act except the point 4 program which remains in the Department of State.

The operating responsibility for the military-assistance program is in the Secretary of Defense. This is vital to the success of the program. The arrangement puts the Defense Department in charge of those activities it should control; but the Defense Department is subject to the continuous supervision and general direction of the Director in the White House, to assure unified direction and control.

On the second point—termination of ECA forthwith and creation of a successor agency—the conference agreement does just that. The important point here is that if we wait until 1952 to resolve the organization problem, the agency hangs suspended in midair, personnel leaves for other more certain fields, and the agency cannot do its job.

The new agency is the Mutual Security Agency, and is organized along the lines of ECA.

Members may say, "This is a sham—it only continues ECA under another name." If we did nothing about the law under which the agency operates, this charge would be true. It is not, because we have clearly indicated—now—the course of policy as far as it can be determined at this time.

The ECA Act—the recovery program—has one more year to run. The new agency will operate under the existing ECA Act, but only until June 30, 1952.

After June 30, 1952, the new agency cannot provide economic assistance to any country for recovery purposes; and, except in joint control countries like Austria, Trieste, and Germany, none can be provided for programs other than mutual defense programs. These are defined as programs "designed to sustain and increase military effort, including—but not limited to—production, construction, equipment, and material in each country or groups of countries receiving United States military assistance."

This means a much more limited type of assistance; of the economic support for defense type and not just general economic assistance. And even this type of assistance will terminate on June 30, 1954.

Between now and June 30, 1952, the President can, of course, propose a broader policy of assistance than that provided in this act. That is his privi-

lege. But, of course, the Congress can decide as it sees fit on the President's recommendations.

In my opinion, these provisions will carry out the mandate of the House to end the recovery program and thereafter confine our assistance to the support of the military effort so necessary to the free world.

The point 4 program has been left in the State Department where it now is. Although the House bill took it out of the State Department, the conference agreement does not violate the principle of the House bill.

The House bill established unified direction and control by putting the point 4 program in the new agency. The conference agreement preserves this principle by providing unified direction and control through the Director in the White House. He will not run the point 4 program—he is not expected to. He will coordinate it through the Secretary of State with the other assistance programs under this act.

This arrangement makes good sense. It preserves a long-term program, yet it assures that this program will be properly coordinated with other United States aid programs.

Mr. Speaker, on behalf of the House conferees I bring this report to the House confident that the House can and will accept it as a good bill, eminently workable, and wisely drawn in the interests of the United States. I urge its adoption.

Mr. KERSTEN of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Wisconsin.

Mr. KERSTEN of Wisconsin. I want to compliment the gentleman for the fine leadership he has shown in connection with this very important measure which might well mean the beginning of the end of communistic aggression throughout the world.

Mr. RICHARDS. I appreciate the gentleman's statement very much.

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. RICHARDS. Mr. Speaker, I yield 15 minutes to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Speaker, before I go into any of the details of the conference report, I want to remind you what this is all about. This is not a struggle between the Foreign Affairs Committee and the Banking and Currency Committee; it is not a struggle between the House and Senate. This bill involves a program for carrying on the struggle of the free peoples of the world against the grim and deadly threat of godless, ruthless communism. That is what this is all about, and it may be your last chance, I surmise, at this session of the Congress to vote your convictions on what we ought to do in this struggle.

This conference report is the culmination of a gigantic labor of constructive legislative statesmanship by the House committee and by the conferees. I want to pay my tribute to our able and independent chairman, the gentleman from South Carolina [Mr. RICH-

ARDS], to the House committee and staff for the work they have done in the past 3 months, and to the conferees from both Houses for the work they did in this long conference.

The organizational structure set up in this conference report is home-made on Capitol Hill. It did not come from the administration, it was not dictated by any outside organization. It was an attempt by Members of Congress to set up a structure that could best carry on an effective program of mutual security.

The administration came down with a suggestion that ECA be continued indefinitely and that the mutual security program be run by a thing called ISAC (International Security Affairs Committee), headed up by a man three layers down in the State Department. Instead of that, the conference report provides that ECA goes out on next June 30, as we provided it would when we first authorized it in the Eightieth Congress, and a new mutual security agency is set up with a director in the Executive Office of the President who is to be appointed by the President and confirmed by the Senate. He is given authority to pick his own help, provided the Budget Bureau approves. There is no way for the entire ECA payroll or any other payroll to be blanketed wholesale into this new organization. Restrictions as to the number of personnel, in the higher brackets and all the way down, are contained in this conference report because we want to see a cut in the personnel, both the superdupers at the top and the others farther down, as this program goes ahead.

After June 30, 1952, when ECA winds up, assistance is to be confined to programs designed to sustain and increase military effort, and mutual defense programs, with the exception of necessary support where we have joint control arrangements, as in Austria, Trieste, and in Germany. So that not only is this program more than a billion dollars below the amount presented by the Executive, but, if it is carried out effectively, this program may be smaller next year.

We provided definitely for the duties of the departments involved, and in this I think the conferees sharpened up the language even of the House bill. We provided definitely in section 506 for what the Secretary of Defense is to do. He is to attend to the determination, the procuring, delivery, and supervision of military end items, and the training of foreign military personnel. We provided in sections 505 and 507 that the Secretary of State is still to be the chief adviser on foreign-policy questions. We provided in section 501 and 503 what the duties of the Mutual Security Director are to be. We provided that half a billion dollars of the counterpart funds must be devoted exclusively to military purposes. We provided that as great an amount as possible, in no event less than 10 percent of economic aid, shall be by way of loans. This loan matter has come up earlier this afternoon. The fact that this Director is not to be put on the Board of the Export-Import Bank does not change the conference provision that he is required to make at least 10



percent of any economic aid in the form of loans. We are going to start again to get some money back on all of this.

There are detailed authorizations for each of the four areas covered by the bill and separate authorizations in each area for economic and military purposes, but then there are five provisions for flexibility because we recognize that in a critical period like this changes may be needed that cannot now be foreseen. There can be a 10-percent transferability between the four titles. In title I, which is Europe, there can be a 10-percent transferability between economic and military aid, because we became convinced that the wise use of additional economic aid devoted to military purposes might be an economy for the United States. Increased procurement and production abroad can result in both economic and military aid to those countries by a single expenditure of dollars. There can be a 50-percent transfer of the amount provided for Korean aid to other areas in Asia and there can be a 10-percent transfer of military weapons in title II in the Near East if that is found in our security interest.

We have provided good legislative machinery. It is up to the Executive to make it work. We have the plans spelled out on paper in this law, but no law can require or guarantee good administration. Good men must be appointed and guided to make any organization work well.

This program comes to you on an important day. We voted, by voice vote, a few moments ago, \$56,935,000,000 in defense appropriations. Why are we appropriating that amount? As the distinguished members of your committee of conference on that bill on both sides of the aisle told you, we are doing this because of this threat of a grim and deadly struggle with Communist Russia that may break out at any time into world war III. If there is no such danger we are not justified in appropriating any such gigantic sum.

In acting on this conference report we are voting to authorize up to \$7,400,000,000, of which over \$7,000,000,000 is clearly for direct military purposes, \$5,997,000,000 is for military hardware, and all but about \$300,000,000 of the rest is directly for economic aid to increase the military effort in other countries. For what purpose? Because of the same grim and deadly threat that is involved in this \$56,000,000,000 appropriation we passed, the threat of communism.

Now there are those here who intend to balance their personal voting budgets by saying that they voted for the \$56,000,000,000 for our own forces but voted against the \$7,000,000,000 for other forces. I think you ought to think that over before you cast such a vote. A great many members voted against military aid authorizations in 1949 but after Korea, a final vote authorizing military aid in July, 1950 there was only one House Member who voted against it, and that was Marcantonio. He is not here any more. There was not a single member of the other body who voted against it. That was because we all realized how important it was to have others besides

United States troops, American boys, fighting our common enemy. If you voted for this vast military appropriation today and now vote against this conference report you may have to answer the question to your constituents and to your own conscience, in case war breaks out, as to why you voted to have American boys doing all the fighting, and voted against any arms at all for other nations willing to fight in our cause.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from California.

Mr. HINSHAW. May I say first to the gentleman that I intend to support this magnificent conference report. However, I should like to ask a question in the light of the last major address made by our distinguished and recently deceased colleague, the Honorable Karl Stefan, when he called attention to the fact that in our programs which we have set up under ECA and other agencies our ambassadors in foreign countries had declined to a status below that of the chief representative in those countries of our own country of ECA and other agencies, because these other people were dealing direct with those governments and hence our ambassadors were no longer in effect the chiefs of missions, although they still were so in title. I should like to have the gentleman comment on that.

Mr. VORYS. The conferees adopted a provision which was in the Senate bill and it appears on page 9 of the conference report, as follows:

SEC. 507. The President shall prescribe appropriate procedure to assure coordination among representatives of the United States Government in each country, under the leadership of the Chief of the United States Diplomatic Mission.

Therefore the criticism of our beloved departed friend is specifically answered in the conference report.

Mr. HINSHAW. I hope he has been able to read and understand this report.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Iowa.

Mr. GROSS. I do not consider this a magnificent conference report, and I do not intend to vote for it. I should like to ask the gentleman this question: He spoke about the situation a year ago. May I ask the gentleman how many more people are fighting in this war today with the United States than were fighting with us a year ago?

Mr. VORYS. Considerably more; but not enough. The gentleman is going to vote to cut off any possibility of having others fight on our side, and that is his right if he wants to, but I want to say that I regret that there are not more from other nations fighting beside us in Korea, whoever they are. Only about 10 percent are from the other United Nations. I think there should be far more than that. I am willing to arm them and bring more of our boys home. If there is a struggle in Europe or if the struggle in Asia increases, I want to see the other United Nations come in and fight beside us, and I want to make them able to fight.

In addition to saving American lives, I want to point out the economy involved in this. In the bill we passed earlier this afternoon there was \$19,800,000,000 to equip and maintain an American Army of a million and a half. For around one-third of that amount, or about \$7,000,000,000 under the present conference report, we hope to secure, equip, arm, and put into the field about 3,000,000 ground forces in other nations.

Under the bill before you now, because of the savings that can be made due to the fact that we do not pay, we do not clothe, we do not house these foreign troops, although we do furnish them a part of their arms, we obtain for the common cause twice the number of ground forces for a third of the money spent in putting American forces in the field.

Will they fight, these foreign troops? I think so. I know this, that the people in those countries over there under the guns of the Communists are not going to fight if they do not have arms and a plan. If we furnish arms and a plan, and I think we have a good plan, I believe they will stand up.

There are those who feel that the way to resist communism is to pick up our marbles all over the world and come home and wait until the Communists come here. I think if we did that the Communists would be on our borders soon. We know that there are countries to the south of us that are infested with communism. I think that if Europe fell and Asia fell to the Communists we would be in trouble soon. Having seen the devastated countries of Europe during and after World War II, I believe that we ought to arrange our foreign policy so that, if possible, our wars, if they must come, shall be fought away from home. When we make our plans and our policies to do that, we are not merely being selfish. We give those in other lands a chance for their freedom when we give them a chance to fight for their homelands. When we do that, and attempt to keep war away from our shores, we are following, I think, an enlightened policy for our own security.

Mr. KERSTEN of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Wisconsin.

Mr. KERSTEN of Wisconsin. Does not this resolve itself down to the simple proposition of whether or not we are willing to place weapons in the hands of the people of Europe and elsewhere so that they can defend themselves against this aggression which now threatens them?

Mr. VORYS. That is right.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Illinois.

Mr. MASON. How long has this ECA been going on? How many years?

Mr. VORYS. It will be 4½ years up to next June 30, and then it will be wound up. This bill provides that the whole mutual security agency shall wind up on June 30, 1954.

Mr. MASON. We are just now circumscribing, pin pointing, and specifying,

ing the rules under which ECA shall operate, and we are 4½ years late on that.

Mr. VORYS. No; the whole purpose of the ECA has been changed by Soviet aggression so that European recovery, which is almost completed now, were it not for the military threat, has to turn into mutual security in the face of the common danger.

Mr. MARTIN of Iowa. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield.

Mr. MARTIN of Iowa. As I understand it, with reference to the strategic and critical materials, the plan here is to set aside or allow the diversion rather than the earmarking specifically of not exceeding \$55,000,000 for such materials, and that is for developmental work rather than outright purchase.

Mr. VORYS. Yes; that is correct.

Mr. MARTIN of Iowa. And that is to be done supplementing the work of the ECA Administrator by the Director of Mutual Security working with the head of the Defense Materials Procurement Agency.

Mr. VORYS. That is right. It is my fervent hope that the Mutual Security Director will do a better job than the ECA has ever done on strategic and critical materials.

Mr. MARTIN of Iowa. And it is not intended to take over any of his functions?

Mr. VORYS. No; but he is to work in cooperation with Defense Materials Procurement Agency. There is a reference to that in the conference report.

Mr. ARMSTRONG. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield.

Mr. ARMSTRONG. The gentleman made reference to keeping war away from our shores. There is one war going on away from our shores now in Korea. I want to ask the gentleman whether there is anything in this bill which contemplates using our allies in the United Nations, the free Chinese, who would like to get into that war to help us to win it.

Mr. VORYS. There is sufficient authorization of military funds for that purpose.

Mr. ARMSTRONG. Is that in this bill?

Mr. VORYS. Yes; in this bill. I might say that within any geographic area the amounts allocated to an individual country for military purposes are secret, and I think perhaps wisely so, but there are funds available for the purpose which the gentleman mentioned.

The SPEAKER. The time of the gentleman has expired.

Mr. RICHARDS. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. Judd].

Mr. JUDD. Mr. Speaker, I am going to vote for this conference report, but I must record my disappointment that the conferees on the part of the House were not able to persuade the conferees from the other body, to go along with the administrative set-up which was in the House bill. You will recall that when ECA legislation was before us in 1948, our committee worked out a system whereby the direction of its activities and the coordination of the many agencies dealing

with parts of it were centered in an independent administration with the status of a department, and the one man who was the head of it was given the rank of a Cabinet member. The law itself spelled out the procedures by which his work was to be coordinated with other departments and agencies, particularly the State Department, and the procedures by which any disagreements or conflicts were to be settled. The Economic Cooperation Administrator knew what his powers and functions were and what they were not. He could go right to work without endless months of jockeying or bickering with other agencies to determine jurisdictions and responsibilities.

Why has ECA cost only about \$12,000,000,000 instead of \$17,000,000,000 which the administration asked as a minimum, and most people predicted would not be enough? The major reason was the organizational set-up which the committee established in the statute, and which has worked better than I think anybody had a right to expect. Why in the world should that set-up be abandoned now?

May I digress for a moment to comment on the question just raised here: "Have we not had ECA for almost 4 years now, and the job is still with us?" I would like to state that it was the magnificent success of the economic recovery program and not its failure that lead to the necessity for this military aid or mutual security program. The Soviet Union is determined to conquer the free world. It uses two main strategies—internal aggression and external aggression. Naturally it prefers the former where possible. In 1948, it was in the process of winning these European countries by internal aggression and subversion, aggravating and then exploiting unemployment and hunger and unhappiness and unrest. Twenty-five percent of the people in some of the countries were voting the Communist ticket. The ECA was set up to help restore their economies so that people would have work, and production of commodities they needed and wanted, and stabilized currencies—something to fight for, and some hope to stimulate them to resist the efforts of the Communists within their borders. It succeeded. There is no substantial internal threat in any of those countries today. That success led inevitably to another threat. When the Kremlin could not win them over by subversion and by capitalizing on bad internal conditions, it had to turn to the threat or use of external aggression. I warned on this floor in March 1948 when we had the original ECA bill before us that the economic recovery program was not an alternative to a military program as it had originally been represented as being—it was already too late. Rather, it was in support of a military defense program. I repeat, it was the success and not the failure of the economic recovery program, which forced us in 1949 to start building up the military strength of these countries in order to give them the capacity to resist pressures from without as well as to overcome despair, unrest, and subversion from within.

But when the military-aid program was instituted 2 years ago a quite different pattern of administration, centered in the State Department, was used. It has not worked well. When it had to be stepped up this year to a \$7,000,000,000 program and the military features given dominance over the economy, the Government agencies involved were not able to agree on what kind of an administrative set-up to recommend. They quarreled among themselves during the first 5 months of this year. As you know, it was not until the last of May that the President finally sent up their suggestions to us and we had to try to settle what the agencies had not been able to resolve. That is why the bill is just now getting through at so late a date.

We worked out for our whole foreign-aid program, including military aid, economic aid in support thereof, and technical (point 4) assistance—essentially the same pattern of a single independent mutual security administration as had been successful beyond anyone's expectation under ECA. Every independent commission or agency like the Brookings Institution had recommended substantially that plan of organization. Paul Hoffman testified that the key to his success in doing the economic job successfully in a year's less time than had been anticipated and for twelve instead of seventeen billion dollars, was the administrative set-up prescribed in the law which gave him equal status with Cabinet members and the right to go to the President in case of unresolvable disagreement with the Secretary of State, the same as the latter could go to the President if unable to settle differences or conflicts or overlapping, after conference with the ECA Administrator. As a matter of fact, not once did either have to go to the President due to the fact that the right was there in the statute. Of course another reason for the success of ECA was the superb job done by the men appointed as the Administrator, Paul Hoffman, followed by William Foster.

Now, contrast the immediate efficiency of ECA, with the floundering and internal disputes and inefficiency which has characterized this MDAP—the Mutual Defense Assistance Program for 2 years. A year ago last June when our committee was studying the bill for the second year of its operation, a high officer of one of the three branches of the armed services came to me off-duty at night in civilian clothes to report how badly it was bogged down. He was working with the program and was worried because the delays and disputes were losing precious months of time. He said, "The whole thing stinks; the administrative lines are so confused that we cannot get the program going in high gear."

I brought it up in committee meetings a day or two later when General Bradley was before us. The officer called me at home a few nights later to tell me a man hunt was going on in the Pentagon, not to find out who there or elsewhere was fouling the program up, but who had talked to Judd.



Well, Mr. Speaker, it is 16 months later and the program is still not going as it should. Let me read what a Senator from Massachusetts [Mr. LODGE] said in the Senate 2 days ago:

It is a very great disappointment to be compelled by the facts to announce that the shipments to General Eisenhower's forces are becoming little more than a trickle when compared with what they should be.

The figures are classified as secret, but some rough idea of the shocking inadequacy of these shipments is given when I say that, in my opinion, it is a fair guess that they are currently only about one-fifth as large as they should be. I hope the Foreign Relations Committee of the Senate, or a subcommittee thereof, or any individual Senator, or the subcommittee of the Armed Services Committee headed by the distinguished junior Senator from Texas [Mr. JOHNSON] will look into this matter to find what the trouble is, and to see whether we cannot keep faith with this North Atlantic Treaty obligation.

General Eisenhower and his staff and many of the people in Europe are doing a magnificent job, but they are being handicapped by administrative confusion here in Washington. I regret exceedingly that the system that worked so successfully under ECA, and which was in the House bill, was entirely scrapped in the Senate bill; and the conference report, while much nearer our bill than the Senate's, is still a hodgepodge that establishes not an independent Mutual Security Administration, but a Mutual Security Agency with a Director down about the third layer in the Executive Office of the President. I shall be surprised if it does not prove to be about the same as the present ISAC—International Security Affairs Coordinator—down about the third layer in the State Department and probably with most of the same people. The conference report bill authorizes the President to "prescribe appropriate procedures to assure coordination." That is, the bill continues much of the same system that is not working, instead of the ECA type of organization which did work. It is disappointing and, in my opinion, is likely to prove far more damaging to the program's successful operation than the 12-percent cut in funds.

Mr. Speaker, I profoundly hope I am wrong. I know our conferees did all they could and I have great confidence in the judgment of my chairman the gentleman from South Carolina [Mr. RICHARDS], the gentleman from Ohio [Mr. VORHS], and the others. They seem to believe this thing will work. I hope they are right and that my fears will prove unjustified. I must vote for the conference report, because to do nothing is disaster. The point I have discussed is vital not just because of the money involved but because the speedy success of the program is so essential to our security; and speedy success depends upon good administration. I hope the President will appoint the best man in the country as Director and give him the same kind of authority as the ECA Administrator had under the ECA Act so the all-important objectives can be accomplished.

Mr. RICHARDS. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. HERTER].

Mr. HERTER. Mr. Speaker, like the gentleman from Minnesota [Mr. Judd] who just preceded me, I, too, feel that the conferees have done an excellent job. With him, however, I regret the impossibility of securing the administrative set-up that the House had provided. Further, however, I think that the conferees, considering the type of administration that the Senate had provided, have certainly come out very much better off. However, in the bill now before us what I particularly wanted to comment on are the changes made in the wording of one paragraph in which I personally was tremendously interested. This is section 509 of the House bill which allowed the military to make provision for the end items that are called for in this bill if they see fit to do so, using the appropriations made for end items during the last 3 years which up to now have totaled about \$56,000,000. That was eliminated. I had hoped if that particular paragraph could be left in the bill the Appropriations Committee could determine from the military authorities the amount of goods in the form of end items that were going to be coming off their production lines. But as it stands I am afraid as far as appropriations are concerned it is going to prove a more expensive set of appropriations this year. I am hopeful that next year we can work it out so that what the foreign nations are doing in the way of arming themselves will be an integral part of our own security program and not just a further foreign-aid program.

Another thing: The language adopted by the conferees in section 506 (c) is subject to some misinterpretation. I am sure it is intended to grant greater flexibility to military authorities than they previously had under the old Mutual Assistance Act, but some people might read it to mean that they were hampered in the flexibility they previously had had. I think, however, I am correct in my interpretation that it was the intent of the conferees that greater flexibility was intended rather than lesser flexibility.

Mr. RICHARDS. Mr. Speaker, let me say to the gentleman from Massachusetts, who did such good work himself in writing this bill and who proposed the amendment that was adopted by the House he has just been discussing, that as I construe it, the purpose of the section is to do the very thing that the gentleman from Massachusetts said—give greater flexibility to provide military assistance in furtherance of the purposes of the Mutual Security Act in that field. I want to say to the House, too, that the figure of \$1,000,000,000 in this subsection was the direct result of what the gentleman from Massachusetts proposed to the House.

Mr. HERTER. I thank the gentleman very much. I think it is important that that flexibility be maintained so that there will be no misconstruction of the language as it now appears.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. RICHARDS. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. HILLINGS].

Mr. HILLINGS. Mr. Speaker, a few days ago I returned from a trip of more than 11,000 miles which took me through the countries of Western Europe and behind the iron curtain into the Communist zone of Germany. The trip took place while the House of Representatives was in a brief summer recess and was not made at the taxpayers' expense. My purpose was to study at first hand the conditions in Europe and the operation of our multi-billion dollar foreign aid program.

In the course of the trip I interviewed private citizens as well as officials of foreign governments such as Konrad Adenauer, Chancellor of the German Republic, Rene Pleven, Prime Minister of France, and many others. I also talked with American Ambassadors, ECA officials, consuls, and military commanders, and I had a particularly interesting discussion with General Eisenhower at SHAPE headquarters outside of Paris.

It would be impossible to discuss all of my observations and experiences in this brief report. However, I should like to report at this time some general comments on conditions in Europe and the operation of the foreign aid program:

First. The stories of widespread starvation and hunger in Western Europe cannot be substantiated. The average western European does not have the wide variety and quantity of food available to the average American, but there is no more real starvation in Western Europe than might be found in the United States itself.

The people of Germany, who lost the war, are eating better than the people of England, who won the war. The British food situation is worse than that in any other country. The tight rationing and control imposed by the Socialist government forces the average family to rely on potatoes and other starches to make up the daily diet. Many Englishmen told me that more meat, eggs and other foods would be available if it were not for the fact that so much is being spent under the Labor Government for various socialistic services such as subsidies and government medicine. Incidentally, everyone I met in Britain, including members of the Labor Party, predicted that the Conservative Party under Churchill would win the next election, now scheduled for October 25.

Second. The billions of dollars the American taxpayers have pumped into Europe by way of economic aid have helped in stimulating postwar recovery.

However, my study of European economic conditions convinces me that the total effect of our aid has been misrepresented by the State Department. Actually, much of the money we have sent to Europe has been wasted. For example, I found that some ECA money has been used to build hotels in European cities which would not directly benefit the economic situation. In Italy a road was built at tremendous cost with United States funds but led to nowhere and was abandoned. We obviously gave the Eu-

Europeans far more money than was actually necessary to stimulate the recovery of Europe. Perhaps the greatest factor of all in European recovery has been the amazing ability of the human race to readjust itself after a disaster. This human quality was probably the most important factor in the increase in present day production in France, Italy and Germany.

The average man in Europe today is not aware of the great sacrifices made by the American people to stimulate economic recovery abroad. Very few Europeans express gratitude or appreciation for American help. One of the reasons for this situation is the fact that the total amount of American aid has not been widely publicized. ECA officials told me that it would not be wise to explain the sacrifices of the United States taxpayers because the Europeans might resent the fact that some appreciation for our gifts was expected.

It is my conclusion that the time has come to curtail or drastically reduce future economic aid to Europe. Any further economic assistance can only be justified on the grounds of practical military necessity which would be needed directly in the military defense of Western Europe.

Third. There is no question but what our economic aid program has helped to strengthen Socialist governments in Europe, particularly in England. The British Labor Government would have long since fallen had it not been for the gifts of American dollars and equipment through the ECA. While I was in London, Prime Minister Attlee delivered a speech in which he quoted certain United States officials praising the "great accomplishments" he said the British Socialist regime had attained. By helping to keep socialism in power in England we have virtually destroyed free enterprise and individual freedom in that nation. This has been a tragic result of what Americans have looked upon as a humanitarian effort to aid British economic recovery.

Fourth. Life behind the iron curtain is drab and dreary. In the Soviet zone of Germany I saw large numbers of Russian troops, all of them carrying rifles or machine guns and riding in vehicles of American manufacture. Most of the Red soldiers were youngsters in their teens. Huge pictures of Stalin and Lenin were everywhere along with signs and slogans proclaiming "peace and freedom under communism." The East German people look hungry and shabby by comparison with those in West Germany, and very few of the bombed-out buildings have been replaced. Many people are losing hope that they will ever be freed from Soviet tyranny.

Fifth. Do the Europeans possess the will to resist? The British people, although handicapped by a weakened economy under their Socialist government, can be counted on to stand with us in the defense of the West. The French have a defeatist attitude fanned by the fact that almost one-fourth of the people voted Communist in the last elections. However, the situation is improving as

General Eisenhower's defense program begins to take its effect. Italy has the largest Communist Party element in Western Europe and most Italians are not eager to prepare to fight the Reds. The prospect of a change in the Italian Peace Treaty to allow more independence may help to obtain more cooperation from these people.

Germans in West Berlin are fiercely anti-Communist and probably would fight. Germans in other areas of Western Germany have not made up their minds on the question of rearmament however. They cannot be counted upon to join the fight against Red aggression unless they are given an equal status and responsibility in the European defense program. We need German troops and industry if we are to resist the Russians. To obtain this help we will have to replace the present occupation statute with a new contract provision granting greater independence to the Federal Republic.

Much can be done to minimize the risk of a return to Prussian militarism by rearming Germany. German divisions should be integrated in the new European army of General Eisenhower where they would have military equality but not control of defense plans. Armament industry should be dispersed among the European nations in such a way that Germany will not possess all of the armament industry necessary to sustain a complete war machine. The German industrial contribution, however, can help to ease the burden on the supply of military equipment now being carried by American industry and American taxpayers.

The United States must encourage European unity and help to supply military equipment to General Eisenhower's forces. At the same time, we must develop a "get tough" policy and demand that the European nations do more to help themselves. Too many people in Europe are shirking their responsibilities and relying on America.

Only the people of Europe themselves can supply the "will to resist." We cannot buy friends with dollars.

Mr. RICHARDS. Mr. Speaker, I yield such time as he may desire to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Speaker, we have under consideration today legislation to provide for the expenditure of millions and billions of dollars for the rehabilitation of people in Europe. I would like to call your attention to a situation dealing with this problem that is at least interesting, and I think of considerable importance, to the American people.

A metropolitan newspaper under date of Monday, October 1, and under a New York headline, reports that an exodus of 3,000,000 people from Europe is planned under the Marshall plan, ERC, and the ECA.

It says that our Government has made it clear it is going to do everything possible to see that migration gets started. This article further states that the President told Premier de Gasperi of Italy that such plan would be carried out. The article says among other things that the

United Nations will move hundreds of thousands of people from Western Europe to Canada, Australia, and Latin America. The principal reason given for such migration is because of unemployment.

Now I call your attention to a further statement that appears in the same paper on the same date and on the same page: It is entitled "Offers a Labor Pool." The date line is Ottawa, Canada, September 30.

This statement says:

Canada has asked the United States Immigration Service for permission to export hundreds of jobless Canadians to Cleveland, Buffalo, and Detroit, the Labor Department here disclosed.

The statement further says that most Canadians would enter the United States from Ontario and that 3,000 registered unemployed would be included in the group. So it appears in short that the United States is going to help migrate people from Italy to Canada under an agreement already made by those countries, and then in turn, under an agreement with Canada, we permit thousands of unemployed to enter the United States. It looks like a back-door policy. What do you think about it? Both statements are included herewith:

EXODUS OF 3,000,000 PLANNED—WORKERS FROM WESTERN EUROPE MAY GO TO NATIONS WHERE THEY ARE NEEDED

NEW YORK, September 30.—Three million workers in Western Europe will go on the world's bargain counter this week in Naples. There, October 2, will open a momentous international conference of 30 democratic countries which hope to initiate a vast migration program from free Europe's overpopulated areas to lands where workers are needed desperately.

If this program succeeds in evacuating Europe's wasted population, moth-balled since the war, it may mean, within a few years, real prosperity for Western Europe, a new and better life for Europe's chronic unemployed, and, not least, a concomitant whopping reduction in America's annual tax bill.

The conference is under the auspices of the International Labor Organization, whose matchmaking assignment from the United Nations is to do something about moving hundreds of thousands of people in Western Europe immediately to Canada, Australia, and Latin America, where they are assured of a real chance to build new lives for themselves and their families.

Simply put, Europe can't prosper unless it exports, during the next 5 years, at least 3,000,000 workers. Italy, Greece, the Netherlands, Austria, and Western Germany are being strangled by people they can't feed, clothe, or house, let alone, gainfully employ. The Marshall plan, ERP, ECA, European economic integration—all these are aspirin tablets for Europe's surplus population headache.

President Truman and Congress have made it clear that our Government is going to do everything possible to see to it that migration gets started. That, for example, is what the President told Premier Alcide de Gasperi of Italy, on his recent Washington visit. The shrewd De Gasperi may fret publicly about Trieste's disposition, or declaim about the Italian Peace Treaty revision, but privately he pleaded in Washington for help and speed in getting rid of several hundred thousand unwanted countrymen.



**OFFERS A LABOR POOL—UNITED STATES WOULD BE SENT HUNDREDS OF JOBLESS MEN BY CANADA**

OTTAWA, CANADA, September 30.—Canada has asked the United States Immigration Service for permission to export hundreds of jobless Canadians to Cleveland, Buffalo, and Detroit, the Labor Department here disclosed.

Most of the Canadians would enter the United States from Windsor, Ontario. Canada's motor city, which has 3,000 registered unemployed because of cut-backs in car production.

Arthur MacNamara, Canadian Deputy Labor Minister, said he had no idea of the number of Canadians who could be absorbed into American industries, which reportedly are short of men because of the draft in the United States.

Canada, concentrating its defense effort on production, has no draft.

Mr. RICHARDS. Mr. Speaker, I yield such time as he may desire to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Speaker, it is possible under this bill to do many things. In particular do I now call attention to one needed thing. Iran is now closed to British influence, but that does not mean Iran is ready to cast her lot with the Communists. Iran is not closed to American influence. She respects this Nation, wants to work with us.

Iran desperately needs her oil industry. She would, I believe, welcome American help in its operation. More than a key industry is involved here. Also involved is a key nation in a key area in the struggle between democracy and communism.

We can step into the vacuum left by the departing British. If we fail, or if we delay, Russia surely will move in. But if the free world loses Iran's friendship—and her oil—it will be by default, not by Iran's choice.

The leadership should be taken by our Government. This bill can provide the means if means are needed.

Mr. RICHARDS. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Speaker, I hope the House will approve this conference report for the fundamental reason it shows to especially our allies of Europe, who are trying to rally their forces under General Eisenhower, that we want allies and that we will not go it alone and that that is the answer to those who would have us go it alone.

This is a new program and they are undertaking a new program. We are saying to them that we will back it up.

In answer to those who spoke about Korea, and about which I feel exactly as the gentleman from Ohio [Mr. VORYS], may I say that we are not buying friends. Those who come here and tell us that people do not like us miss the main point. We are not buying friends. We are trying to arm people who are for free institutions so that they are independent, economically strong, and able to defend themselves. That is what will defend the great areas of the world against communism. When they get to that point I feel, and those who have been backing this program feel, they are better able to make their contribution to the resistance of aggression in places like

Korea. That is the fundamental basis for this program.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. RICHARDS. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. RANKIN].

(Mr. RANKIN asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. RANKIN. Mr. Speaker, I have not changed my position on this measure. I voted against it when it was before the House, and I expect to vote against this conference report. This is a long step in the inflation of the currency of this country through the Federal Reserve System.

As I said the other day, every great economist on earth will tell you that prices in a free economy are governed by two things, the volume of the Nation's currency multiplied by the velocity of its circulation.

It is absolutely useless to try to stabilize prices and at the same time continue to permit, and encourage, the inflation of the Nation's currency in this way. At the peak of high prices in 1920 we had only \$5,698,214,612 in circulation. On August 30, 1950, a little more than a year ago, we had \$27,119,914,381 in circulation, of which \$22,769,722,870 was in Federal Reserve notes. On August 31, 1951, we had \$28,154,897,504 in circulation, of which \$23,816,716,705 was in Federal Reserve notes. In other words, the currency had been inflated more than \$1,000,000,000, through the issuance of Federal Reserve notes.

This measure will inflate it at least another billion, or maybe several billion dollars more. It is dangerous legislation that may result in direful consequences.

It is absolutely useless to try to fix prices of commodities while permitting the inflation of the currency to continue and encouraging it by legislation of this kind.

The Banking and Currency Committee should bring out a bill stabilizing the currency within a given limit, so that the American people would know what to depend on and how to adjust their affairs to it. They should fix a maximum beyond which the currency could not be expanded by making it illegal to issue Federal Reserve notes, gold or silver certificates, United States notes, or any other kind of currency beyond that limit. Then a floor should be placed under it fixing the limit below which it would be impossible to deflate the currency. That could be done by providing in the law that if the currency were deflated below a given figure by the retirement of Federal Reserve notes, then the Government could issue United States notes with a gold reserve by them to make up the difference.

In that way you can stabilize the currency within a given limit, restore the confidence of the American people, and enable them to adjust their affairs in such a way as to avoid the feelings of uncertainty which they are now experiencing, or the panic into which they are likely to be thrown unless these safeguards are adopted.

This is the most serious problem of its kind with which our people have ever been confronted; and it is the duty of Congress to take the steps necessary to prevent the disasters of further wild inflation, or the perhaps greater disasters of a precipitate deflation, without protecting them from such catastrophes in the manner that I have indicated.

It is the only possible way to avoid the disasters of wild inflation and at the same time prevent the horrible catastrophes of a disastrous deflation, and enable our people to move forward with confidence in the security of our financial structure.

Mr. RICHARDS. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Speaker, there are quite a number of Members of this House who have been here longer than I, but on the 3d day of next January, at 12 o'clock meridian, God willing, I shall have served in this body 13 years. During that period it has been my privilege to serve on several committees and missions engaged in the work of this House. One of them was the Air Accident Investigating Committee many years ago, and after the war was over I was one of the first Members appointed to the Joint Committee on Atomic Energy. Subsequently, it was by honor to be vice chairman of the Congressional Aviation Policy Board and chairman of its Subcommittee on Combat Aviation. During that period of time, and since, it has been my privilege to sit with the best informed men in the Military Establishment and many civilians who know something about this business.

Just the other day—day before yesterday, I believe it was—the President made an announcement that a second atomic explosion had occurred in the Soviet Republics. That is something that should give pause to every Member in this body. There were many who thought that the first explosion might have been an accident, but I do not think that you can trust the second one to be any accident.

Many of us will remember the events that preceded World War II, and how so many Members of this House hated to see that happen, but in expressing their distaste for that war, however you might want to look at it for yourself, they may have thereby jeopardized the effort that our country was attempting to make. Let us not do that now because these are times equally full of dynamite as the days before World War II.

It is my hope that by doing everything that we may reasonably be able to do—and, I say to the gentleman from Mississippi, without bankrupting ourselves—that we may ward off world war III. One of the biggest reasons why World War II happened was because the United States crawled into its shell and said that we did not want to have anything to do with anything that went on abroad; "a plague on all of your houses"; and by so doing we upset the balance of power in the world and thereby encouraged the strong nation—the aggressor nation—to attack the weak.

Let us not do that this time. We are the only nation fit and able to defend freedom today. We need badly to have other nations fit, able, and willing to defend their own freedom and hence the principle of freedom. ECA has done great things in spite of its many defects, but it will expire next June 30. This bill is designed to help those other nations to the point where they may defend themselves and join us in defense of freedom. I shall support the conference report.

Mr. RICHARDS. Mr. Speaker, I yield such time as he may desire to the gentleman from Montana [Mr. MANSFIELD].

Mr. MANSFIELD. Mr. Speaker, I rise to support the conference agreement on the mutual security bill. This measure has already been fully debated by both Houses. The separate versions that resulted were sent to conference and the House now has an opportunity to compare the text agreed upon by both Houses through their conferees with the text of the bill as it passed this House last August. Members of this body may indulge in a large measure of satisfaction that the bill presently before the House contains so much of the original House thinking on this subject.

Before I touch on some of the details of the conference agreement, I want to pay my respects to my fellow conferees in both Houses. There were fundamental disagreements in the two versions of the bill. But no bitterness or pettiness showed itself in the search for agreement. Members of both Houses and of both parties displayed a high degree of statesmanship. The genial chairman of the Foreign Affairs Committee has expressed his appreciation for the support that we in this body gave him during the conference. May I state for the record, however, that the gentleman from South Carolina showed himself a first-rate tactician and diplomat in advancing the views of this body. The other House conferees were equally diligent in championing the House views and gave unstinted support to the chairman.

The chairman has already explained the two major agreements on amounts and organization. I would like to explain some of the agreements reached on other points.

In the House bill the point 4 program was put under the jurisdiction of the Mutual Security Administrator. The Senate did not share this view. The conferees discussed at length the administration of this program. It was recognized that the point 4 program is unique in several ways. It is a long-time venture; it operates with modest means; its emphasis is on the improvement of grassroots areas rather than on purely military factors.

I must say that during the hearings on this bill I was tremendously impressed, as were many of my colleagues, by the character of the Director of the point 4 program, Dr. Henry G. Bennett. His presentation of evidence was marked by a refreshing simplicity. He had no visions of bureaucratic "empire building." He recognized that the current world situation called for two programs—the emergency big-grant program geared to

the military needs and the long-range program with its emphasis on the rural approach. It was his convincing analysis of the program that led me, and I am sure many others, to the conclusion that the present administrative features of the program should not be disturbed. The success of the Institute of Inter-American Affairs in carrying out a similar program only strengthened my findings. Under these circumstances it was deemed desirable to insert section 508. Yet we were aware that, if unified direction of our foreign assistance program is to be achieved, both of these programs must be coordinated with the larger elements of that program. This coordination will be achieved through the Secretary of State to whom the President has delegated the administration of the point 4 program.

Technical development programs operated by ECA in southeast Asia will be under the Director. After June 1952 he assumes primary responsibility for the development and administration of programs of assistance designed to sustain and increase military effort, including production, construction, equipment and materials in each country or in groups of countries which received United States military assistance. The key word in this directive is "effort." The inclusion of this word will permit continued operation of STEM missions in the Philippines, Thailand, Formosa, and Indochina. Assistance to other nations will be carefully screened to determine whether they contribute to increased military effort. Further aid to them will depend, in a large measure, on their foreign policy.

In discussing appropriations that are authorized under this bill the chairman noted that up to \$55,000,000 for strategic material development may be taken from title I. No one will dispute the importance of embarking on such a program. The ECA Administrator already has power to procure these materials and stimulate their production abroad. Under this bill the Director for Mutual Security will assume these powers.

The Defense Production Act empowers the President to make purchases of and commitments to purchase metals, minerals, and other materials for Government use or resale and to encourage exploration, development, and mining of strategic and critical materials both in the United States and in foreign countries. By Executive order the President has delegated these functions to the Administrator of the recently created Defense Materials Procurement Agency.

It would appear that in participating countries under the Economic Cooperation Act there may be some overlapping in the responsibilities of the Director for Mutual Security and the Defense Materials Procurement Administrator. The conferees considered a proposal to transfer to the President the functions relating to the foreign procurement and development of so-called deficient materials in order that he might delegate this ECA authority to the Defense Materials Procurement Administrator. But they decided that these functions should be vested along with the other ECA func-

tions in the Director for Mutual Security.

While the language of section 514 of this bill is silent on the relationship between the Director for Mutual Security and the Defense Materials Procurement Administrator, the conferees envisioned the utmost cooperation and assistance between them to achieve a common objective. As I study the history of this problem and the language and the intent of this section, I expect that the Director will find it appropriate to delegate to the Defense Materials Procurement Administrator, at least to some extent, the performance of these functions in participating countries. This is in line with the remarks of the gentleman from Iowa [Mr. MARTIN] earlier today. Certainly that would be the orderly, efficient, and least costly way of carrying out this section.

One section of this bill deserves more attention than it has received. I refer to section 528 (b). This encourages countries receiving technical assistance to establish fair labor standards of wages and working conditions and management-labor relations. The significance of this language is twofold. The application of this philosophy will assure an improved and more stable economic base in those countries and thereby contribute to their political stability. The American worker will not be victimized by competition with cheap foreign labor. It was not possible to draft more precise or binding language. But it is the confident expectation of the conferees that the administrator of the point 4 program will lose no opportunity to carry out the intention of this section.

Closely connected with these provisions are those of section 516. The conferees drew upon ideas presented in the House and Senate versions. Briefly, this section calls for the administration of the mutual-security program so as to encourage free private enterprise, discourage cartels and monopolies, and encourage the free-labor movement. These, of course, are not new principles for the Congress. It has endorsed similar principles on many occasions. This seemed an appropriate time to urge upon our friends abroad that they move toward these objectives at the same time that they strengthen themselves against external threats. The acceptance of these principles, I believe, will add to their strength at home.

Mr. Speaker, this is one of the most carefully drawn bills to be presented to the Congress in recent years. No one can accuse its supporters of indifference to the American taxpayers. Each authorization was carefully examined and, where the judgment of the members determined it was possible, was pruned. We have written into this bill administrative machinery that focuses responsibility through centralization. We have responded to the conditions of the time by putting the bulk of our aid on the military side. The future measure of our economic assistance abroad—except for a few hardship cases—will be the degree to which that assistance will further the military effort. We have determined upon a target date for the termination of



our assistance, thereby assuring our people that we are not committed to aid in perpetuity.

I am immensely proud that this body has assumed the initiative in shaping this measure. The impress of the House is upon every section. I believe it is a good bill—sound in its principles and prudent in its provisions. I urge its passage.

Mr. RICHARDS. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from South Carolina [Mr. RICHARDS].

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 235, nays 98, not voting 95, as follows:

[Roll No. 191]

YEAS—235

Abbitt	Doyle	Jones, Mo.
Addonizio	Eaton	Jones,
Albert	Eberhart	Hamilton C.
Allen, Calif.	Elliott	Jones,
Angell	Ellsworth	Woodrow W.
Armstrong	Engle	Judd
Aspinall	Evins	Karsten, Mo.
Ayres	Fallon	Kean
Bailey	Feighan	Keating
Bakewell	Fenton	Kee
Baring	Fernandez	Kelley, Pa.
Barrett	Fine	Kelly, N. Y.
Bates, Mass.	Forand	Kerr
Battle	Ford	Kersten, Wis.
Beckworth	Forrester	Kilday
Bender	Frazier	King
Bennett, Fla.	Fugate	Kirwan
Blatnik	Fulton	Klein
Bolling	Furcolo	Kluczynski
Bolton	Garmatz	Lane
Bonner	Gary	Lanham
Bosone	Gavin	Lantaff
Boykin	Golden	LeCompte
Brown, Ga.	Goodwin	Lesinski
Brownson	Gordon	Lind
Bryson	Gore	Lyle
Buchanan	Graham	McCarthy
Burleson	Granahan	McConnell
Burnside	Granger	McCormack
Burton	Grant	McGuire
Bush	Green	McKinnon
Byrnes, Wis.	Greenwood	Machrowicz
Camp	Hale	Mack, Wash.
Canfield	Hall	Madden
Cannon	Hall, Edwin Arthur	Magee
Carlyle	Hall, Leonard W.	Mahon
Carnahan	Halleck	Mansfield
Case	Hardy	Marshall
Chatham	Harris	Martin, Mass.
Chiperfield	Harrison, Va.	Meador
Chudoff	Hart	Merron
Colmer	Havenner	Mills
Combs	Hays, Ark.	Mitchell
Cooley	Hays, Ohio	Morgan
Cooper	Hedrick	Morton
Corbett	Heller	Moulder
Cotton	Herrlong	Muiter
Coudert	Herter	Mumma
Cox	Heselton	Murdock
Crosser	Hill	Murray, Tenn.
Crumpacker	Hillings	Norblad
Cunningham	Hinshaw	O'Brien, Ill.
Curtis, Mo.	Holmes	O'Brien, Mich.
Dague	Hope	O'Neill
Davis, Ga.	Hunter	Ostertag
Davis, Tenn.	Ikard	O'Toole
Dawson	Irving	Patman
DeGraffenried	Jackson, Wash.	Patten
Denny	Jarman	Patterson
Devereux	Javits	Perkins
Dingell	Johnson	Pickett
Donohue	Jones, Ala.	Poage
Doughton		

Polk  
Price  
Priest  
Rains  
Reams  
Rhodes  
Ribicoff  
Richards  
Riehlman  
Riley  
Roberts  
Robeson  
Rodino  
Rogers, Colo.  
Rogers, Fla.  
Rogers, Mass.  
Sasser

Aandahl  
Abernethy  
Adair  
Allen, Ill.  
Andersen,  
H. Carl  
Anderson, Calif.  
Andresen,  
August H.  
Andrews  
Arends  
Barden  
Beamer  
Beicher  
Bennett, Mich.  
Bentsen  
Berry  
Betts  
Bishop  
Blackney  
Bow  
Bray  
Brehm  
Budge  
Burdick  
Butler  
Chenoweth  
Church  
Cole, Kans.  
Davis, Wis.  
D'Ewart  
Dolliver  
Dondero  
Dorn

Allen, La.  
Anfuso  
Auchincloss  
Baker  
Bates, Ky.  
Beall  
Boggs, Del.  
Boggs, La.  
Bramblett  
Brooks  
Brown, Ohio  
Buckley  
Buffett  
Busbey  
Byrne, N. Y.  
Celler  
Chelf  
Clemente  
Clevenger  
Cole, N. Y.  
Crawford  
Curtis, Nebr.  
Deane  
Delaney  
Dempsey  
Denton  
Dollinger  
Donovan  
Durham  
Flood  
Fogarty  
Gamble

So the motion was agreed to.  
The Clerk announced the following pairs:

On this vote:

Mr. Auchincloss for, with Mr. Werdel against.  
Mr. Vinson for, with Mr. Velde against.  
Mr. Denton for, with Mr. Busbey against.  
Mr. Hess for, with Mr. Sheehan against.  
Mr. Kearney for, with Mr. Jensen against.  
Mr. Flood for, with Mr. McCulloch against.  
Mr. Cole of New York for, with Mr. Short against.  
Mr. Mack of Illinois for, with Mr. Woodruff against.

Teague  
Thomas  
Thornberry  
Tollefson  
Trimble  
Van Zandt  
Vorys  
Walter  
Watts  
Welch  
Whitaker  
Wickersham  
Wier  
Wigglesworth  
Wolverton  
Yorty  
Zablocki

NAYS—98

Rankin  
Reece, Tenn.  
Reed, Ill.  
Reed, N. Y.  
Rees, Kans.  
Regan  
Rogers, Tex.  
St. George  
Schwabe  
Secret  
Shafer  
Simpson, Ill.  
Simpson, Pa.  
Smith, Kans.  
Smith, Wis.  
Stockman  
Taber  
Thompson,  
Mich.  
Vail  
Van Pelt  
Vursell  
Weichel  
Wheeler  
Whitten  
Williams, Miss.  
Williams, N. Y.  
Wilson, Tex.  
Winstead  
Withrow  
Wolcott  
Wood, Ga.  
Wood, Idaho

NOT VOTING—95

Gathings  
Gregory  
Hebert  
Heffernan  
Hess  
Hollifield  
Howell  
Jackson, Calif.  
James  
Jensen  
Kearney  
Kennedy  
Keogh  
Kilburn  
Latham  
Lucas  
McCulloch  
McGrath  
McMillan  
McMullen  
Mack, Ill.  
Miller, Calif.  
Miller, Md.  
Miller, Nebr.  
Morano  
Morrison  
Murphy  
Murray, Wis.  
O'Konski  
Philbin  
Phillips  
Powell

Mr. Smith of Virginia for, with Mr. Hébert against.

Until further notice:

Mr. Quinn with Mr. Baker.  
Mr. Clemente with Mr. Boggs of Delaware.  
Mr. Keogh with Mr. Kilburn.  
Mr. Delaney with Mr. Latham.  
Mr. Morrison with Mr. Wilson.  
Mr. Donovan with Mr. Sittler.  
Mr. Miller of California with Mr. Scudder.  
Mr. Bates of Kentucky with Mr. Radwan.  
Mr. Anfuso with Mr. Gamble.  
Mr. Gregory with Mr. Beall.  
Mr. Preston with Mr. Jackson of California.  
Mr. Heffernan with Mr. James.  
Mr. Philbin with Mr. Curtis of Nebraska.  
Mr. Howell with Mr. Clevenger.  
Mr. McGrath with Mr. Buffett.  
Mr. Rabaut with Mr. Brown of Ohio.  
Mr. Boggs of Louisiana with Mr. Bramblett.  
Mr. Sieminski with Mr. Crawford.  
Mr. Murphy with Mr. Sadlak.  
Mr. Gathings with Mr. Widnall.  
Mr. Celler with Mr. Wharton.  
Mr. Dollinger with Mr. Prouty.  
Mr. Buckley with Mr. Miller of Nebraska.  
Mr. Allen of Louisiana with Mr. Morano.  
Mr. Roosevelt with Mr. Scrivner.  
Mr. Rooney with Mr. Phillips.  
Mr. Staggers with Mr. Murray of Wisconsin.  
Mr. Rivers with Mr. O'Konski.

The doors were opened.

A motion to reconsider was laid on the table.

#### AUTOMOBILES FOR CERTAIN DISABLED VETERANS

Mr. TEAGUE. Mr. Speaker, I call up the conference report on the bill (S. 1864) to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans who served during World War II, and persons who served in the military, naval, or air service of the United States on or after June 27, 1950, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

#### CONFERENCE REPORT (H. REPT. No. 1098)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1864), to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans who served during World War II, and persons who served in the military, naval, or air service of the United States on or after June 27, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses, as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That, subject to the conditions herein-after set forth, the Administrator of Veterans' Affairs is authorized and directed, under such regulations as he shall prescribe, to provide or assist in providing an auto-

mobile or other conveyance by paying not to exceed \$1,600 on the purchase price, including equipment with such special attachments and devices as the Administrator may deem necessary, for each veteran of World War II or of service on or after June 27, 1950, and prior to such date as shall thereafter be determined by Presidential proclamation or concurrent resolution of the Congress, who is entitled to compensation under the laws administered by the Veterans' Administration for any of the following due to disability incurred in or aggravated by active military, naval, or air service of the United States during either of such periods:

"(a) Loss or permanent loss of use of one or both feet;

"(b) Loss or permanent loss of use of one or both hands;

"(c) Permanent impairment of vision of both eyes of the following status: Central visual acuity of 20/200 or less in the better eye, with corrective glasses, or central visual acuity of more than 20/200 if there is a field defect in which the peripheral field has contracted to such an extent that the widest diameter of visual field subtends an angular distance no greater than twenty degrees in the better eye.

"Sec. 2. No payment shall be made under this Act for the repair, maintenance, or replacement of any such automobile or other conveyance and no veteran shall be given an automobile or other conveyance until it is established to the satisfaction of the Administrator that such veteran will be able to operate such automobile or other conveyance in a manner consistent with his own safety and the safety of others and will be licensed to operate such automobile or other conveyance by the State of his residence or other proper licensing authority: *Provided*, That a veteran who cannot qualify to operate a vehicle shall nevertheless be entitled to the payment of not to exceed \$1,600 on the purchase price of an automobile or other conveyance, as provided in Section 1 of this Act, to be operated for him by another person, provided such veteran meets the other eligibility requirements set forth in this Act.

"Sec. 3. The furnishing of such automobile or other conveyance, or the assisting therein, shall be accomplished by the Administrator paying the total purchase price, if not in excess of \$1,600, or the amount of \$1,600, if the total purchase price is in excess of \$1,600, to the seller from whom the veteran is purchasing under sales agreement between the seller and the veteran.

"Sec. 4. No veteran shall be entitled to receive more than one automobile or other conveyance under the provisions of this act and no veteran who has received or who hereafter receives an automobile or other conveyance under the provisions of the paragraph under the heading 'Veterans' Administration' in the First Supplemental Appropriation Act, 1947, as extended, or the act of September 21, 1950 (Public Law 798, Eighty-first Congress), shall be entitled to receive an automobile or other conveyance under the provisions of this act.

Sec. 5. The benefits provided in this act shall not be available to any veteran who has not made application for such benefits to the Administrator within 3 years after the effective date of this act, or within 3 years after the date of the veteran's discharge or release from active service if the veteran is not discharged or released until on or after said effective date.

"Sec. 6. There is hereby authorized to be appropriated to the Veterans' Administration, out of any moneys in the Treasury not otherwise appropriated, such sums as may be required to carry into effect the provisions of this act."

Amend the title so as to read: "An Act to authorize payments by the Administrator of

Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes."

And the House agree to the same.

OLIN E. TEAGUE,

CARL ELLIOTT,

EDITH NOURSE ROGERS,

*Managers on the Part of the House.*

HERBERT H. LEHMAN,

JOHN O. PASTORE,

*Managers on the Part of the Senate.*

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1864) to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans who served during World War II, and persons who served in the military, naval, or air service of the United States on or after June 27, 1950, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to such amendments, namely:

On June 13, 1951, the Committee on Veterans' Affairs reported H. R. 4233, which provided authorization for the Administrator of Veterans' Affairs to make a payment not to exceed \$1,600 towards the purchase of an automobile or other conveyance for certain disabled veterans. The eligible veterans, under the terms of this bill, were limited to those who had lost or lost the use of one or both hands or feet or who were blind, as defined, and who had served in World War I, II, or after June 27, 1950. In addition, provision was made that the veteran, if he desired, might elect to receive \$1,600 in cash in lieu of the payment toward the purchase price of the automobile. This bill passed the House on a call of the Calendar Wednesday, on June 20, 1951.

It was referred to the Senate Labor and Public Welfare Committee. That committee disregarded the House-approved measure, H. R. 4233, and on July 25, 1951, reported S. 1864, which authorized automobiles for World War II veterans and those who served on or after June 27, 1950, who are entitled to compensation for the loss or loss of the use of one or both legs at or above the ankle. On August 9, 1951, the Senate passed this measure, and when it was referred to the House Committee on Veterans' Affairs, the committee voted to strike out all after the enacting clause and insert the provisions of H. R. 4233 as passed by the House on June 20, 1951.

The bill agreed upon by the conferees closely follows the House bill as originally passed on June 20 and S. 1864, as passed by the House. As agreed upon, the bill is limited to World War II veterans and those who served on or after June 27, 1950, who are entitled to service-connected compensation for the loss or loss of the use of one or both feet or one or both hands, or who are blind, as defined. In cases where the veteran is unable to operate the car, the payment shall be made nevertheless in those cases where the veteran can have the car operated by another person in his behalf. The provision for a cash payment in lieu of a payment towards the purchase of an automobile was deleted by the conferees.

Through August 31, 1951, the following vehicles have been paid for by the Veterans' Administration to eligible World War II veterans under existing authority:

Automobiles.....	25,699
Jeeps.....	61
Station wagons.....	26
Tractors.....	100
Trucks.....	175
<b>Total.....</b>	<b>26,061</b>

The Veterans' Administration is unable to give any estimate, obviously, of the number of veterans who will be eligible for the benefits of this act based on service on or after June 27, 1950. It is estimated, however, by this agency, that of World War II veterans, some 380 veterans will be eligible due to the loss or loss of the use of one or both feet, approximately 9,480 eligible due to the loss or loss of the use of one or both hands, and approximately 1,840 due to blindness.

The text of the laws which have been enacted on the subject is included below:

[Excerpts from public laws which authorize the furnishing of cars for amputees]

PUBLIC LAW 663, SEVENTY-NINTH CONGRESS; VETERANS' ADMINISTRATION

"Automobiles and other conveyances for disabled veterans: To enable the Administrator of Veterans' Affairs to provide an automobile or other conveyance, at a cost per vehicle or conveyance of not to exceed \$1,600, including equipment with such special attachments and devices as the Administrator may deem necessary, for each veteran of World War II who is entitled to compensation for the loss, or loss of use of one or both legs at or above the ankle under the laws administered by the Veterans' Administration, \$30,000,000: *Provided*, That no part of the money appropriated by this paragraph shall be used for the repair, maintenance, or replacement of any such automobile or other conveyance and no veteran shall be given an automobile or other conveyance under the provisions of this paragraph until it is established to the satisfaction of the Administrator that such veteran will be able to operate such automobile or other conveyance in a manner consistent with his own safety and the safety of others and will be licensed to operate such automobile or other conveyance by the State of his residence or other proper licensing authority: *Provided further*, That under such regulations as the Administrator may prescribe the furnishing of such automobile or other conveyance shall be accomplished by the Administrator paying the total purchase price to the seller from whom the veteran is purchasing under sales agreement between the seller and the veteran.

"Sec. 303. This Act may be cited as the "First Supplemental Appropriation Act, 1947."

"Approved August 8, 1946."

EMERGENCY APPROPRIATION ACT, 1948; PUBLIC LAW 161, EIGHTIETH CONGRESS; CHAPTER 206, FIRST SESSION

"The Administrator of Veterans' Affairs is hereby authorized to disburse, during the month of July 1947, one-twelfth of the amount provided in each appropriation for the Veterans' Administration included in H. R. 3839 as passed by the House of Representatives and there are hereby appropriated such amounts as may be necessary for such disbursements: *Provided*, That amounts expended hereunder shall be deducted from such appropriation for 1948 when H. R. 3839 is enacted into law.

"Automobiles and other conveyances for disabled veterans: The authority and funds provided under this heading in the First Supplemental Appropriation Act, 1947 (Public Law 663, 79th Cong.), are hereby continued available until June 30, 1948."

THE SUPPLEMENTAL APPROPRIATION ACT, 1948; PUBLIC LAW 271, EIGHTIETH CONGRESS

"Automobiles and other conveyances for disabled veterans: For an additional amount for 'Automobiles and other conveyances for disabled veterans,' \$5,000,000 to be available for the purposes specified under this head in the act of August 8, 1946 (Public Law 663)—\$5,000,000."



SECOND DEFICIENCY APPROPRIATION ACT, 1948;  
PUBLIC LAW 785, EIGHTIETH CONGRESS; VET-  
ERANS' ADMINISTRATION

"Automobiles and other conveyances for disabled veterans: For an additional amount for 'Automobiles and other conveyances for disabled veterans,' \$1,500,000, to be derived by transfer from the appropriation 'Administration, medical, hospital, and domiciliary services,' and to be available until June 30, 1949, for the purposes specified under this head in the act of August 8, 1946 (Public Law 663), as extended by the Emergency Appropriation Act, 1948."

SUPPLEMENTAL APPROPRIATION ACT, 1949; PUBLIC  
LAW 904, EIGHTIETH CONGRESS; VETERANS'  
ADMINISTRATION—AUTOMOBILES FOR DISABLED  
VETERANS

"For an additional amount for 'Automobiles and other conveyances for disabled veterans,' \$5,000,000."

THIRD DEFICIENCY APPROPRIATION ACT, 1949;  
PUBLIC LAW 343, EIGHTY-FIRST CONGRESS,  
VETERANS' ADMINISTRATION

"Funds heretofore appropriated for 'Automobiles and other conveyances for disabled veterans' are hereby continued available until June 30, 1950."

PURCHASE OF AUTOMOBILES OR OTHER CONVEY-  
ANCES FOR CERTAIN DISABLED VETERANS,  
PUBLIC LAW 798, EIGHTY-FIRST CONGRESS

"That there is hereby authorized to be appropriated to the Veterans' Administration the sum of \$800,000 to remain available until June 30, 1951, to enable the Administrator of Veterans' Affairs to provide or assist in providing an automobile or other conveyance by paying not to exceed \$1,600, on the purchase price, including equipment with such special attachments and devices as the Administrator may deem necessary, for each veteran of World War II who is entitled to compensation for the loss, or loss of use, of one or both legs at or above the ankle under the laws administered by the Veterans' Administration: *Provided*, That no part of such appropriation shall be used for the repair, maintenance, or replacement of any such automobile or other conveyance and no veteran shall be given an automobile or other conveyance until it is established to the satisfaction of the Administrator that such veteran will be able to operate such automobile or other conveyance in a manner consistent with his own safety and the safety of others and will be licensed to operate such automobile or other conveyance by the State of his residence or other proper licensing authority: *Provided further*, That under such regulations as the Administrator may prescribe the furnishing of such automobile or other conveyance, or the assisting therein, shall be accomplished by the Administrator paying the total purchase price, if not in excess of \$1,600, or the amount of \$1,600, if the total purchase price is in excess of \$1,600, to the seller from whom the veteran is purchasing under sales agreement between the seller and the veteran: *And provided further*, That no veteran shall be entitled to receive more than one automobile or other conveyance under the provisions of this Act and no veteran who has received or may receive an automobile or other conveyance under the provisions of the paragraph under the heading 'Veterans' Administration' in the First Supplemental Appropriation Act, 1947, as extended, shall be entitled to receive an automobile or other conveyance under the provisions of this Act."

FIRST SUPPLEMENTAL APPROPRIATION ACT, 1950,  
PUBLIC LAW 843, EIGHTY-FIRST CONGRESS,  
VETERANS' ADMINISTRATION

"Veterans' Administration: For an additional amount for 'Automobiles and other conveyances for disabled veterans,' \$375,000."

THIRD SUPPLEMENTAL APPROPRIATION ACT, 1951,  
PUBLIC LAW 45, EIGHTY-SECOND CONGRESS,  
VETERANS' ADMINISTRATION—AUTOMOBILES  
AND OTHER CONVEYANCES FOR DISABLED VET-  
ERANS

"To enable the Administrator to provide, or assist in providing, automobiles or other conveyances for disabled veterans as authorized by the Act of September 21, 1950 (Public Law 798), \$800,000."

OLIN E. TEAGUE,

CARL ELLIOTT,

EDITH NOURSE ROGERS,

*Managers on the Part of the House.*

Mr. TEAGUE. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days to extend their remarks on the conference report S. 1864.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SABINE LAKE BRIDGE AND CAUSEWAY  
AUTHORITY

Mr. COMBS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5593) authorizing the Sabine Lake Bridge and Causeway Authority, hereby created, and its successors, to construct, maintain, and operate bridges over Sabine Lake, at or near Port Arthur, Tex.; to construct, maintain, and operate all causeways, approaches, and appurtenances pertaining thereto; and to finance said objects by the issuance of bonds secured by the said properties and income and revenues; and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this is a private bill that does not call for any public expenditure of money, and it has the unanimous approval of the Committee on Public Works.

Mr. COMBS. Yes. I will say to the distinguished minority leader that this authority is delegated certain public officials of the States of Louisiana and Texas and specifically provides that no obligation can be fixed against the States or the National Government. It is to be financed purely by tolls, and then the causeway is to become a freeway.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That in order to promote interstate commerce, improve the postal service, promote national defense, and provide for military and other purposes, the Sabine Lake Bridge and Causeway Authority,

hereby created, and its successors be, and is hereby, authorized to construct, maintain, and operate bridges, causeways, approaches, and appurtenances pertaining thereto at a point suitable to the interests of navigation between a point at or near Port Arthur, Tex., and a point opposite in Cameron Parish, La., in accordance with the provisions of the General Bridge Act of 1946, as amended, qualified only by the authority, conditions, and limitations contained in this act.

SEC. 2. There is hereby created a body corporate and politic to be known as Sabine Lake Bridge and Causeway Authority which shall have and possess all powers necessary, convenient, or proper for carrying into effect the objects stated in this act.

SEC. 3. The Authority shall consist of seven members, to wit: (a) The county judge of the county of Jefferson, State of Texas; (b) commissioner of precinct No. 2, county of Jefferson, State of Texas; (c) commissioner of precinct No. 3, county of Jefferson, State of Texas; (d) county clerk of Jefferson County, State of Texas; (e) president of the Police Jury of Cameron Parish, State of Louisiana; (f) secretary of the Police Jury of Cameron Parish, State of Louisiana; (g) ward No. 5 member of the Police Jury of Cameron Parish, State of Louisiana. The persons holding the offices and positions above designated at the time of approval of this act, and their successors, shall be and become ex officio members of the Sabine Lake Bridge and Causeway Authority hereby created and shall continue as members of the said Authority so long as they shall hold the offices above stipulated. Four members of the Authority shall constitute a quorum for the transaction of business. The Authority shall choose its own Chairman and Vice Chairman. The Authority shall formulate and adopt its own rules for regulating the time and place of its regular meetings, and may hold special meetings upon call of the Chairman or in his absence, upon call of the Vice Chairman and one other member. The Secretary of the Authority shall keep and preserve complete records of all proceedings and acts of the Authority. No member shall receive a salary for his services as member, but shall be paid his actual expenses not exceeding \$25 per day for each day actually devoted to the performance of his duties hereunder. The Authority may employ a secretary, treasurer, engineers, attorneys, financial advisers, and such other experts, assistants, and employees as it may deem necessary, who shall be entitled to receive such compensation as the Authority may determine. All salaries and expenses shall be paid solely from the funds provided under the authority of this act.

SEC. 4. There is hereby conferred upon the Authority hereby created, and its successors, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of such bridges, causeways, and approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 5. The Authority hereby created and its successors is hereby authorized to levy, fix, and charge tolls, fees, or other considerations for the movement of persons and property over its bridges, causeways, and approaches, and in fixing the tolls and rates to be charged for the use of such bridges, causeways, and approaches, and the appurtenances thereof, the Authority shall so de-

termine upon and adjust same as to provide funds sufficient for the following purposes:

(a) Creation of necessary interest and sinking funds to pay principal and interest on any bonds, notes, or other evidences of indebtedness issued by the Authority pursuant to the provisions hereof, and to create such reserves for such bonds as may be provided by the Authority under the terms of the mortgages, deeds of trust, indentures, or other agreements pertaining to the authorization and issuance of such bonds;

(b) Provide for the reasonable cost of properly maintaining, repairing, insuring, and operating such bridges, causeways, and approaches;

(c) Provide for such depreciation, depletion, obsolescence, replacements, betterments, and improvements as in the judgment of the Authority may appear feasible and proper.

SEC. 6. The Authority hereby created shall have all the powers, rights, privileges, and authority necessary or convenient for carrying out the purposes of this act, including, but without limitation, the following rights, powers, and authority: (a) To have perpetual succession as a corporation; (b) to sue and be sued, implead and be impleaded, complain and defend in all courts of law and equity; (c) to adopt, use, and alter a corporate seal; (d) to acquire, purchase, hold, lease, mortgage, sell, transfer, and dispose of all property, real, personal, or mixed, tangible or intangible, or any interest therein acquired by the Authority, and to operate any of such properties for any lawful purpose; (e) to make bylaws for the management and regulation of its affairs; (f) to appoint officers, agents, employees, and servants, to prescribe their duties, and to fix their compensation; (g) to fix, levy, alter, charge, and collect tolls, charges, fees, or other considerations for the movement of persons and property over such bridges, causeways, and approaches; (h) to borrow money, make and issue negotiable notes, bonds, and other evidence of indebtedness of the Authority, and to secure the payment of such obligations or any thereof by mortgage, lien, pledge, or deed of trust, upon all or any of the property of the Authority, including the income and revenues thereof, and to make agreements with the purchasers or holders of such obligations or with others in connection with any such obligations, issued or to be issued, as the Authority shall deem advisable, and in general to provide for the security of said obligations and the rights of the holders thereof; (i) to make contracts of every kind and nature and to execute all instruments necessary or convenient for the carrying on of its affairs; and (j) without limitation of the foregoing, to borrow money from the United States Government or any corporation or agency created, designated, or established by the United States and to enter into contracts with the United States or such corporation or agency, or any other person, firm, or corporate entity.

SEC. 7. Without limiting any powers anywhere in this act granted to the Authority, such Authority is hereby authorized to provide for the payment of the cost of the bridges, causeways, and approaches and the necessary lands, easements, and appurtenances thereto by an issue or issues of negotiable bonds of the Authority and to secure the payment of all or any of such bonds by mortgage, lien, pledge, deed of trust, or indenture upon all or any of its property or properties. Said bonds shall be authorized by resolution of the Authority, shall bear such date or dates, such interest rate or rates, be in such forms, and contain such provisions as the Authority may determine and which shall be provided in such resolution or in the mortgage, deed of trust, indenture, or other instrument securing said bonds, and shall be made to mature serially or otherwise over a period of not to exceed

30 years from the date of completion of the bridges, causeways, and approaches for the construction of which such bonds were issued. Any resolution or resolutions authorizing such bonds may contain provisions which shall be a part of the contract with the holders of such bonds with respect to: (a) The rates of tolls and other charges to be charged by the Authority for the movement of persons and property over such bridges, causeways, and approaches; (b) the registration of the bonds as to principal only or as to principal and interest and the interchangeability and exchangeability of such bonds; (c) the issuance of temporary bonds or interim receipts; (d) the redemption of the bonds and the price or prices at which they shall be redeemable; (e) the setting aside of interest and sinking funds for the payment of the interest on such bonds and the amortization of the principal thereof and of reserves for the protection of such bonds and the regulation and disposition thereof; (f) limitations upon the issuance of additional bonds; (g) the terms and provisions of any mortgage, deed of trust, indenture, or other instrument under which the bonds may be issued or by which they may be secured; and (h) any other or additional agreements which the Authority may arrive at with the prospective purchasers or holders of such bonds. The bonds shall be issued in the name of the Authority, signed by its Chairman, attested by its Secretary, and shall be registered by the duly constituted treasurer of the Authority, and coupon bonds shall have attached thereto interest coupons bearing the facsimile signatures of said Chairman and Secretary. Any such bonds may be issued and delivered notwithstanding the fact that one or more of the officers signing such bonds or whose facsimile signatures may be upon the coupons or any thereof, shall have ceased to be such officer or officers at the time when such bonds shall actually be delivered.

The Authority may enter into any mortgages, deeds of trust, indentures, or other agreements with any bank or trust company or other person or persons in the United States having power to enter into the same, including the United States Government, or any corporation or agency designated or created by it, as security for the bonds, and may transfer, convey, mortgage, or pledge any or all of the property or properties of the Authority thereunder, including the income and revenues to be derived therefrom. Such mortgage, deed of trust, indenture, or other agreement may contain such provisions as may be customary in such instruments, or as the Authority may authorize, including, but without limitation, provisions as to: (a) The terms and provisions of the bonds or the resolution providing for the issuance of same; (b) the construction, operation, maintenance, repair, and insurance of the properties of the Authority and its duties with reference thereto; (c) the application of funds and the safeguarding of funds on hand and on deposit; (d) rights and remedies of such trustee and the holders of the bonds; and (e) possession of the properties covered by such mortgage, deed of trust, indenture, or other agreement. All bonds issued pursuant to the provisions hereof which shall be secured by a mortgage, deed of trust, indenture, or other agreement, wherein a trustee is nominated, shall, before issuance, be duly authenticated by such trustee, and when any such bonds are duly authorized, issued, and delivered to any purchaser or purchasers, after having been duly authenticated by the said trustee, they shall thereupon become and be incontestable.

The bonds of the Authority may be sold in such manner, at such time or times, and at such price or prices as it may determine. The cost of the bridges, causeways, and approaches shall be deemed to include interest

during construction and for not exceeding 12 months thereafter, and all engineering, legal, architectural, traffic-surveying, and other expenses incident to the construction of such bridges, causeways, and approaches, and the acquisition of the necessary property and appurtenances therefor, and incidental to the financing thereof, including the cost of acquiring existing franchises, rights, plans, and works of and relating to such bridges, causeways, and approaches now owned by any person, firm, or corporation and the cost of purchasing all or any part of the shares of stock of any such corporation, only if, in the judgment of the Authority, such purchases shall be found expedient. If the proceeds of the bonds issued shall exceed the cost as finally determined, the excess shall be placed in the bond sinking funds herein provided for.

SEC. 8. After payment of the bonds and interest thereon and discharge of any and all other obligations of the Authority, or after a sinking fund fully sufficient for such payment and its discharge shall have been provided and shall be held for that purpose the Authority shall be authorized to deliver deeds or other suitable instruments of conveyance of the interest of the Authority in and to its bridges, causeways, and approaches, that part within the State of Texas, to the State of Texas, the county of Jefferson, State of Texas, or any other agency of the State of Texas authorized to accept the same (hereinafter referred to as the Texas interest), and that part within the State of Louisiana, to the State of Louisiana, Cameron Parish, State of Louisiana, or any agency of the State of Louisiana authorized to accept the same (hereinafter referred to as the Louisiana interest), under the condition that such bridges, causeways, and approaches shall thereafter be free of tolls and shall be properly maintained and operated by the Texas interest and the Louisiana interest, as may be agreed upon; but if either the Texas interest or the Louisiana interest shall not accept the same, such bridges, causeways, and approaches shall continue to be owned, maintained, repaired, operated, and insured by the Authority and the Authority may continue to collect tolls at rates so adjusted as to provide a fund not to exceed the amount necessary for the proper maintenance, repair, insurance, and operation of the said bridges, causeways, and approaches under economical management, including reasonable reserves for depreciation, depletion, obsolescence, replacements, and betterments, until such time as the Texas interest or the Louisiana interest, or both, shall accept such conveyance under the aforesaid conditions. Upon the acceptance of such conveyance by the Texas interest or the Louisiana interest, or both, the Sabine Lake Bridge and Causeway Authority created by this act shall terminate and cease to exist.

SEC. 9. In addition to all other rights, powers, and privileges herein conferred upon Sabine Lake Bridge and Causeway Authority, it shall have and possess all rights, powers, and privileges to acquire by purchase, lease, or otherwise, and to operate, such facilities as the Authority may deem necessary and proper to establish ferry services across Sabine Lake. The powers conferred by this section may be exercised in like manner as those herein elsewhere conferred with regard to the construction, maintenance, and operation of bridges, causeways, and approaches.

SEC. 10. Nothing herein contained shall be construed to authorize or permit the Authority, or any member thereof, to create any obligation or to incur any liability other than such obligations and liabilities as are dischargeable solely from the funds provided by this act. No obligation created or liability incurred pursuant to this act shall be an obligation or liability of any member or members of the Authority, but shall be chargeable solely to the funds herein provided, nor shall any indebtedness, liability,



or obligation created pursuant to this act be an indebtedness, liability, or obligation of the United States.

SEC. 11. All provisions of this act may be enforced or the violation thereof prevented by mandamus, injunction, or other appropriate remedy in any court having competent jurisdiction of the subject matter or of the parties.

SEC. 12. The act of Congress approved June 18, 1934 (48 Stat. 1008), and heretofore amended and extended by acts of Congress approved April 10, 1936, August 12, 1937, June 14, 1938, and July 26, 1939, are hereby repealed.

SEC. 13. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. LARCADE. Mr. Speaker, I have introduced a companion bill similar to the bill H. R. 5593, under consideration, since I represent the district concerned on the Louisiana side of the Sabine Lake and River which this bill authorizes the two States, Texas and Louisiana, to form an authority to build a causeway and bridge over portions of this joint undertaking between the said States.

I have yielded to my distinguished colleague the gentleman from Texas [Mr. COMBS] since the principal portion of the causeway and bridge is in his district; however, of course, I am in full accord with the objectives sought to be accomplished in this joint undertaking.

Mr. Speaker, Cameron Parish, La., is one of the most important sections of my district, and the completion of the project contemplated under the bill under consideration will, not only be beneficial to the traveling public generally, but will open up access to Cameron, the county seat of Cameron Parish, and one of the richest areas in Louisiana, which has heretofore been inaccessible due to road facilities and connections with main highways. The completion of this causeway linking the only uncompleted link of this important highway will tend to develop my Parish of Cameron and southwest Louisiana, and will make accessible one of the richest sections of Louisiana which has unlimited natural resources, as well as the finest duck hunting grounds in the United States. Of course, Mr. Speaker, we are not asking to complete this chain in this important intrastate highway for the benefit of duck hunters, but because it will provide egress and ingress to one of the greatest potential industrial sections of the United States. The completion of this causeway will not only make it possible to develop these resources, to say nothing of the right of citizens to have all-weather roads for the benefit of the people who wish to travel to this Utopia, but also will provide means of transportation for business and industrial development of a long-neglected part of our State and Nation. I will briefly give you an historical view of this enterprise:

#### HISTORY OF THE COASTAL HIGHWAY

The coastal highway, as referred to in this bill is to be laid only along the southwest Louisiana coast. However, a section of the entire highway is already completed, running from Brownsville, Tex., to Port Arthur, Tex., and traverses some 450 miles. This development in Texas has been in operation some years and the growth of communities, summer homes, and commercial and tourist establishments has been nothing short of phenomenal.

About 20 years ago, the Congress passed an act establishing the Port Arthur Bridge Commission as an agency to deal with the construction of an interstate causeway between Texas and Louisiana. The proposed highway was to be constructed across the lower end of Sabine Lake and to connect the end of a highway south out of Port Arthur with the western terminus of the proposed Louisiana Coastal Highway.

According to Joseph W. Doxey, chairman, Cameron Parish Planning Board, the Port Arthur Bridge project dates back to about the year 1927, when a franchise was granted to H. L. McKee by the State of Texas and the Parish of Cameron, La., to operate a toll bridge across the lower Sabine. The time for beginning the work and completing it has been extended from time to time, the latest extension being by the Congress and signed by President Roosevelt on July 26, 1939. The Public Works Administration approved an outright grant amounting to \$355,454 in 1938. When work on the project was ready to begin, a certain land owner enjoined the Port Arthur Bridge Commission from crossing his land, thus delaying the project once more. Then with the outbreak of World War II, nothing could be done. The present movement marks the first work on the project since before the war.

In 1926, the Louisiana Legislature, in Act 330, designated State Highway No. 292 and described it as follows:

Connecting the southern termini of State Highway Routes Nos. 26 and 42 at or near the Intracoastal Canal and from the joint terminus, extending the highway southward to the Gulf of Mexico, and from that point westward through Pecan Island, Grand Cheniere, and Leesburg (Cameron), thence in a westerly direction through Johnson Bayou settlement to the Texas line at a point on Sabine Lake to intersect the proposed causeway from Port Arthur, Tex., over said Sabine Lake.

Aside from a portion in Cameron Parish which has been improved, and a section along Pecan Island which the inhabitants constructed, no work has been done on the remainder of the proposed and designated route.

In 1929 the Louisiana Highway Commission assigned project No. 694 to a survey from Intracoastal City via Chenier Au Tigre to Pecan Island, a distance of 25 miles. This survey is recorded in highway department records in field books Nos. 4640 and 4694.

Some 15 years ago, the Louisiana Coastal Highway Association was formed for the express purpose of spurring the construction of Louisiana State Highway No. 292. Their efforts were fruitless.

#### HISTORY OF HIGHWAY DEVELOPMENT ALONG THE CAMERON COAST

The first serious effort to build highways began in 1919 in Cameron Parish when bonds were voted to construct highways throughout the parish. A roadbed running from the eastern end of Grand Chenier to Cameron was built, but funds to hard surface it were not available. From time to time other roadbeds were built, but little surfacing was done until the State highway department took over practically all existing roads of any importance. In 1938, a second highway, running from Creole to Sweet Lake, was opened. All State roads in the parish are surfaced with clam and oyster shell, but the surfacing has worn thin in spots and is altogether absent in others.

Thus the roads are likely to become slippery and boggy in the winter rains, and during dry seasons are prone to develop into corduroy. The State owns and operates 157.7 miles of shelled roads, together with four ferries—Ship Channel Ferry at Cameron, ferry No. 2; Calcasieu River Ferry at Cameron, ferry No. 1; Grand Lake Ferry on the Intracoastal Canal on route 931; and Gibbstown Ferry at Intracoastal Canal, route 42. Considering the increase of traffic in general and in view of the high proportion of heavy truck traffic, the present State road system is far from being adequate. Trucks carrying equipment urgently needed for drilling operations, trucks loaded with quick-spoiling sea foods, and even United States mail trucks are often delayed by impassable roads. The ferries are obsolete, unsafe, and inadequate. Long and annoying delays are frequent, worn-out machinery, breaks down, and under normal traffic conditions, the small barges now in use are hopelessly inadequate.

The parish maintains 73 miles of dirt roads and 80 miles of shelled roads. For administrative purposes the parish is divided into six wards, each of which owns and operates its own road maintenance equipment.

There are no paved roads in Cameron with the exception of a one-half mile paved street in the village of Cameron, which was constructed from a special severance tax fund allocated to oil-producing parishes.

Most of the roads of the parish are constructed on a 100-foot right-of-way which allows ample room for future expansion.

The Cameron Parish Police Jury created early in January 1948, a road district comprising all of wards 1, 2, 3, and 5, which make up the entire coast line of the parish. The police jury has obtained permission from the State bond and tax board to vote and issue bonds for the project, estimated to cost the parish a total of \$37,500. This sum will be divided thus: \$137,550 for construction on the west end of the coast line to join the Port Arthur project, and \$256,950 for the east end construction, ending at the Vermilion line. This cost covers engineering, embankments, culverts, clam shelling, and all other work that must be done before surfacing. The Cameron bond election is to be called some time between

the latter part of May and the first week in July, this year.

#### NATURAL BEAUTY OF THE COASTAL SECTION

Those who have traveled the often muddy and always rough roads by automobile and the narrow channels and bayous by boat to reach the coastal regions of Cameron and Vermilion Parishes come away praising the beauty of the Gulf-washed sands, the majestic oaks of the cheniers, and the abundance of flowers, fish, and wild birds.

The major part of the shore line is a low-lying marsh upon which the waves have cast sea shells and sand, forming beaches of varying height and width.

Blending with the endless roar of the surf, the call of the tern, sea gull, and other shore birds can always be heard. Wooded stretches are dense with growth of oak, pecan, cypress, prickly ash, locust, persimmon, haw, mangrove, hackberry, and red-berried firethorn. Growing in the towering trees are graceful vines: the trumpet, smilax, and wild mustang grape. Palmettos grow in thick profusion. And in the mild climate wild flowers thrive, for example, the water hyacinth, buttercup, iris, swamp lily, evening primrose, oleander, Indian fire, wild onion, cardinal flower, moss rose, mullein thistles, native lotus, wild pepper, and Indian turnip.

Fish—red fish, speckled trout, black fish, croakers, flounders, clams, oysters, shrimp, and crabs—are found in the Gulf waters. The marshes abound with all types of wild life such as deer, rabbit, muskrat, nutria, mink, opossum, and occasional squirrel, otter, and armadillo. The numerous lakes and ponds afford a refuge for geese and wild ducks, as well as the resident wild fowl. The varied types of grasses furnish a high-grade food for many animals.

Each season of the year clothes the cheniers in new colors. The favorite of many residents is spring, when the yellow of the cactus, the white of the yucca—Spanish dagger—pink of the peach blossoms, and the small delicate blooms of the mesquite give the land a dainty pastel dress. Complementing the colors are the fragrance of the orange blossom, the white blooms of pear and plum groves, and the songs of the migratory birds on their yearly visit.

Among the best-known settlements on the southwest Louisiana coast are Pecan Island, Mulberry Ridge, and Chenier Au Tigre in Vermilion Parish, and Grand Chenier, Holly Beach, Little Chenier, Dufond, Chenier Perdu, Creole, Cameron, and Johnson's Bayou in Cameron Parish.

Pecan Island is a chenier, approximately 18 miles long, rising a few feet above sea level. According to the records of the Smithsonian Institution, there are 24 Indian mounds on this chenier, some of which set 4 to 20 feet above the surrounding terrain. Some 400 persons reside on Pecan Island, making their living chiefly in farming, trapping, and fishing. Cotton, truck crops, oranges, sugar cane, sorghum, pears, figs, peaches, pecans, and a type of banana are crops especially well suited for this location. In recent years, modern machinery has been introduced, and re-

claiming projects have proved that additional land may be developed.

Chenier Au Tigre is a series of beaches running approximately east and west, bisected by eight or ten ridges which are formed primarily by oyster reefs. The high land is approximately 4 miles long and varies from a quarter to three-quarters of a mile in width. The marshes between the ridges are overgrown by beautiful green grass, reminding the visitor of a great rice field in July. Though one of the smaller cheniers it is one of the most beautiful. Chenier Au Tigre was once inhabited by some 200 persons, but the gradual absorption of the land by large land companies forced migration, until only eight families remain.

The chief crops grown on the chenier are cotton, cantaloups, watermelon, oranges, grapefruit, pears, black walnuts, pecans, persimmons, plums, figs, bananas, and truck crops. The fruits grown here ripen about the same time as those in the Rio Grande Valley. A means of rapid transportation would enable the development of a commercial fruit industry. Chenier Au Tigre was a summer health resort for many years, and the effects of the minerals in the Gulf waters are said to be extremely beneficial.

In Cameron Parish, one of the smallest and loveliest of the cheniers is Chenier Dufond, at the southeastern corner of Grand Lake. Approached from the west, it rises, apparently floating above the blue waters of the lake, with its venerable live oaks standing above a white shell beach. Little Pecan chenier, with its Indian mounds, cypress swamp, and oak-fringed lake; Money Island, uninhabited, but famed in legend about the Lafittes, buried treasure, and captive Spanish princes; Chenier Perdu, neat, ordered, possessing probably the largest and most magnificent live oaks of all; Little Chenier, its white-beached coupes cool under the shadows of towering trees, its Indian mounds and charming lake lying against a sheer bluff of pure white shell, all these elicit admiration and praise.

But the largest of the Cameron cheniers and the one with the greatest attractions is Grand Chenier. For 25 miles the ridge rises above the surrounding marsh. A narrow belt of unbroken woods fringes the northern slope of the island. The clear, slow-moving Mermentau River touches at several points. And the purple-blooming water hyacinth lines the highways for miles, a ribbon of brilliant color. The wild iris grows in abundance and splendor. Marsh and woodland abound with wild flowers and flowering shrubs. Particularly lovely are the swamp lily and the pond lily.

The abundant palmetto produces numerous small white flowers arranged on a long central spike. More striking are the impenetrable clumps of Cherokee roses, hedging the highway for miles in some sections, particularly the Front Ridge between Cameron and Grand Chenier. Just west of Holly Beach, said to be one of the best in the State, and near the Gulf is found another interesting blossom: the blanket flower, a small, reddish-brown bloom, which grows

in extreme profusion, carpeting the ground for acres.

Standing above high-water mark, long rows of salt cedars parallel the greater length of the Cameron beaches, their dark-green foliage contrasting strongly with the gleaming sand and white foam of the rolling breakers.

This strange and lovely coastal section of the State is little known. If its natural beauties and its opportunities for sport and recreation were developed and publicized, it would become a mecca for sportsmen and tourists.

#### SPECIAL ORDER GRANTED

Mr. JACKSON of Washington (at the request of Mr. PRIEST) asked and was given permission to address the House on Tuesday next for 60 minutes, following any special orders heretofore entered.

#### PERSONAL ANNOUNCEMENT

Mr. RODINO. Mr. Speaker, due to the arrival of a new boarder, a baby boy, I was unable to be present in the House on yesterday. Had I been present I would have voted "aye" on the motion to suspend the rules and pass the bill (H. R. 5118) providing for unemployment compensation for Federal employees.

#### SPECIAL ORDER GRANTED

Mr. CANFIELD asked and was given permission to address the House for 5 minutes today, following any special orders heretofore entered.

#### ADJOURNMENT UNTIL MONDAY NEXT

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### CALENDAR WEDNESDAY BUSINESS

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### RAILROAD RETIREMENT BILL

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Speaker, I want to express my keen disappointment in the fact that by agreement the leadership of the House has put off the vote on the railroad retirement bill until October 16. I think we should have continued with the consideration of this legislation. We could have completed it this week or by the close of Monday next, and would have hastened the relief to many men and women who would benefit by our action in increasing railroad retirement payments. I think it is most unfortunate



that we have not passed the bill before now.

Mr. Speaker, I declare I cannot understand this action. I feel sure that at the close of the debate on the bill yesterday a majority of the Members were ready to vote on the measure. Certainly with 3 hours further debate which could have been had Saturday or Monday next, we could and should have approved the bill and sent it to the Senate.

I repeat what I said on the floor over a week ago, if this legislation is to be continually delayed, no legislation will be passed before the Congress adjourns. Mr. Speaker, we cannot afford to let this happen. The railway employees must have an increase in their retirement benefits to help meet the increased cost of living.

ROBERT A. LOVETT, SECRETARY OF  
DEFENSE

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WICKERSHAM. Mr. Speaker, I place the need for confidence in leadership among the high-priority spiritual needs of the American people today.

It is with this thought reverently and deeply in mind that I rise to speak of our Secretary of Defense, Robert A. Lovett.

All too often it is the custom for Members of Congress to give unstinting praise to newly appointed Cabinet officers. In this practice we sometimes set traps for ourselves. Our early judgment is not borne out. We are caught in the net of our own words. We find ourselves in opposition to the man whom we have lauded to the skies.

Nevertheless, in the face of experience, as a member of the Committee on Armed Services, I place my trust in the current Secretary of Defense.

Secretary Lovett is a civilian. It is the sense of the Congress and the people of the United States that, ordinarily, unless a rare arrangement of circumstances should occur, the head of our Defense Department should, and by right ought to be, a civilian.

Secretary Lovett is a banker in private life. His new task calls for just such a practical background.

Secretary Lovett has intimate knowledge of the international situation. He formerly served as Undersecretary of State.

Secretary Lovett knows his own job well. He was Assistant Secretary of War for Air under President Roosevelt. He was second in command to former Secretary of Defense Marshall.

Robert Lovett is a man who is amply qualified by character, ability, and experience for the responsibilities of his high office.

His selection for his vital post is certain to have a positive reaction among the American people in the restoration of the type of efficient, Christian leadership which may best guide them through

this, their hour of sorrow and tribulation.

The SPEAKER. Under previous order of the House, the gentleman from Missouri [Mr. ARMSTRONG] is recognized for 15 minutes.

#### JAPANESE PEACE CONFERENCE

Mr. ARMSTRONG. Mr. Speaker, the recent Japanese peace conference at San Francisco gave vivid proof that if the governments and peoples of the free world take the initiative in crusading for truth and freedom, they can win over the vicious, false propaganda of the agents of the Soviet Union.

Mr. Andrei Gromyko, chief Soviet delegate, and his associates from Moscow, along with agents of the two satellite countries, Czechoslovakia and Poland, came to the conference determined to do what the spokesmen for communism have done whenever and wherever they have had the opportunity since 1945—to disrupt the conference, to delay its proceedings, to divide its delegates into warring factions if possible. They sought to block any effective action by peace-loving peoples to create a just and lasting peace with Japan.

Sometime before the conference, the man most responsible for the wording of the treaty and its acceptance by our allies, Mr. John Foster Dulles, proposed a plan to draft a set of rules for orderly procedure that would prevent the Communist agents from wrecking the conference. Fortunately, he was able to gain acceptance of such a plan by officials of the State Department, who heretofore have been extremely reluctant to stand up to the Soviet delegates in this struggle known as the cold war. The rules as adopted put a clamp on Gromyko's plan to talk the conference to death. He and his two stooge delegations were completely whipped. They had to sit there and hear the representatives of free peoples denounce them and all their works for their lack of cooperation in ending conflict in this war-weary world and building peace.

When this member presented a map of Russia to Gromyko, showing the slave-labor camps of the Soviet Union, Gromyko had "no comment." What comment could he have had? He had been hit by the strongest weapon in the hands of free peoples—the truth. Confronted firmly and relentlessly with the truth, the lying propaganda of communism falls flat on its face.

The time has now come to press our advantage. The time has come to tell the whole world, including the peoples behind the iron curtain, of our desire for peace, and how we hope to attain it. The time has come for us to challenge, openly and before all mankind, the false claim of the Kremlin despots, that they alone desire peace and that we of the democracies are the warmongers and imperialist aggressors.

At San Francisco, Gromyko and company tried to put over their usual scare. They tried to frighten and bulldoze the free peoples of the world into bowing down and doing their bidding. They were bluffing. We called their bluff, and their false front collapsed like a punctured balloon.

I agree with the words of Mr. John Cowles, newspaper and magazine publisher, who after a trip to many parts of the world and a close study of areas threatened by Communist aggression, recently declared:

Even though we continue arming just as rapidly as we possibly can, we ought to place much more emphasis, I believe, on the kind of a peaceful world that we envisage, the kind of a world that will be possible only if Russian aggression is not permitted to plunge the world into an atomic holocaust.

Through our default we have let the Russians monopolize the subject of peace, and embrace peace for propaganda purposes as if it were their exclusive property.

The failure of the United States to make effective propaganda use of its deep desire for peace has resulted in much of the world suspecting that America has deserted her traditional role as a nonaggressive, peace-loving Nation.

If America would only seize the initiative from Russia and conduct an American "peace offensive," we would rob the Russians of their single most powerful propaganda weapon. The whole free world, including America, wants peace. Let us say so, louder and longer than the Kremlin.

Now, if we are going to speak for peace, we must make it definite and positive. It is idle to talk of peace on earth and ignore the fact that this country is engaged in a war in Korea, a war that already has cost us 14,280 dead and 60,400 wounded as of October 1, 1951. It is senseless to plan for peace unless we are prepared, morally and physically, to meet the evil forces of aggression wherever they rear their ugly heads.

Let us now say to the whole world, "The Soviet Union says it is for peace. It berates the free governments and peoples as warmakers. All right. The Communist leaders will have to prove they are for peace. We are calling their hands. We are giving them a chance to clear the world of the tensions which their own aggressions and threats of aggression have created." If they accept, there will be set in motion the forces of a lasting peace. If they refuse, then let them be branded for what their own actions would prove them to be—false prophets, wolves in sheep's clothing, men with mailed fists wearing the white gloves of deception.

Mr. Speaker, there are three ways by which the Soviet Union can prove the sincerity of its pleas. They are:

First. If the Soviet leaders desire peace, they can end the Korean war immediately.

Let this be the first test of their sincerity. Their stooges, the Red Chinese and Korean leaders, have been carrying on a series of fake and false cease-fire talks for weeks. If they mean business and desire the war to end, let us learn it now. If not, then let them brand themselves as liars, with the blood of all those who have died and are yet to die in that war on their hands.

Every intelligent and informed person living on the globe today knows that the aggression of the North Koreans against their brethren of the all but defenseless South Korea was the result of Soviet planning and directing. It is now apparent that the colossal bungling of our leaders in foreign affairs, resulting

in the loss of China to communism, fitted perfectly the design of the Kremlin masters. Their only surprise was the ease which we fell into their trap. With China in their bag, they began their next move in the game of domination in the Far East—infiltration into and political pressure upon South Korea. When these cold-war methods failed, the Red despots resorted, as they will in any area of the world unless they are stopped, to military action.

When the Red Chinese came into the war, it was the same story. Dictator Stalin and his politburo called the tune. They selected the very day for the first Chinese troops to enter. They have directed this war against the free peoples of the United Nations ever since. Every issue of every newspaper in every community of this land, every broadcast during the day or night, tell us of "Russian made" fighter jet planes, the famous MIG's, engaging our jet flyers in battle, or of Soviet-made tanks, artillery, and all other implements of war, taking a ghastly toll of lives of those who would defend the right of men to their freedom.

What do we of the democracies mean, permitting this to go on unchallenged? We took official action in this House and in this Congress, calling upon the United Nations to declare the Communist regimes of North Korea and of China as aggressors. The United Nations, sensing that the patience of the American people was wearing thin, dutifully made the declaration. So the Red Chinese and Red Koreans are officially aggressors. What then, I ask of you my colleagues, does that make the Red Russians? If the puppets are aggressors, what are the principals in this game of murder, pillage, and rapine in Korea? If Communist General Mao is an aggressor, what is Generalissimo Stalin, who gives General Mao his orders?

We know that Red officers give orders to their troops, but Soviet commissars give orders to those officers. Korean and Chinese troops, the cannon fodder on the mountains of fire and in the valleys of death, do the fighting, but Moscow maps the battle plans. Red soldiers pull the triggers, with guns made in Soviet Russia.

Shame upon our leaders that they do not face up to realities in this situation. It is time to say to the Soviet rulers, "We give you this chance to prove you want peace on earth by calling off the war you have planned and are now conducting. We know that the Koreans and Chinese would not fight for another day if the Kremlin bade them to stop. You can show your desire for peace by permitting the cease-fire talks to go forward in an entirely neutral place, with prompt decision for an end of the fighting. You can recall the foreign troops we know you have brought in from Eastern Europe to Manchuria and North Korea. You can stop furnishing the guns and planes and ammunition to kill the representatives of the United Nations you profess to serve. Do this, or be branded as the arch aggressor of all time and suffer the consequences of an outraged humanity, determined to pro-

tect its liberties before they are blotted out by tyranny."

What would Soviet Russia do if we said that? I do not know for sure, but I believe with all my heart that they would stop, look, and listen. And of one thing there can be no doubt: The peoples of the world, including those in slavery behind the iron curtain, would take heart and say, "At last those who profess their love for freedom, justice, and peace are talking the only language the Kremlin understands."

If the Communist rulers did not heed, then they should be met with our full political and military might. On the political field they should be branded by the United Nations as aggressors, shut out from further participation in the organization dedicated to peace and security, and cut off from both trade and diplomatic relations with ourselves and our true allies.

Second. If the Soviet leaders desire peace, let them end their program of aggression and threats of aggression all over the world.

The Korean war is just one segment of a world-wide pattern of aggression. Into every peaceful area the agents of the Soviet have moved, to stir up class hatred and internal conflict. Into every troubled area they have moved to increase that trouble. Their regime thrives on trouble and strife. Their infiltration is constant and relentless, and when it has produced a foothold in any government, there liberty dies and tyranny takes over. And when tyranny has entrenched itself, then aggression against a neighbor starts, and that aggression leads to war unless it gains its ends by threats and displays of force.

That was the pattern by which the little nations of Eastern Europe were taken over. That was the pattern by which China was conquered. That was the pattern that forced the isolated Tibetan rulers recently to bow completely to the yoke of Soviet control. That is the pattern of action now being applied to Indochina, with Burma to follow. Then, inevitably, the teeming millions of India and Pakistan will be marked for subjugation. By that time, Japan, prize area of the Far East in Soviet eyes, would be under terrific pressure from without and perhaps in the throes of internal revolution, and if Japan should be lost, the entire Pacific area would be lost for freedom and peace. While in Europe, the pattern emerges equally clear with the relentless liquidation of all democratic institutions and freedoms in the satellite countries, and the progressive sovietizing of Eastern Germany in preparation for the complete control of this industrial region in the heart of Europe.

It is time to say to the Soviet leaders that humanity will have no more of it. If the Soviet Union desires peace, then it should and must give up its aggressive designs on its neighbors everywhere. Specifically, it must call off the threats of its satellites against Yugoslavia, Greece, and Turkey. It must join in unification of Germany as an independent nation, freed from domination of any foreign power.

Such is the least the Soviet Union, with its black record of tyranny and ag-

gression since 1945, can do to recover any shred of respect among freedom-loving peoples. We should give its leaders, here and now, the chance to choose whether they desire to cooperate with the peacemakers or expose themselves in the future as international criminals.

Third. If the Soviet leaders desire peace, let them join other nations in a system of collective security, with disarmament the goal.

Here we of the democracies have not made our case clear to the peoples of the world. Our protestations for peace have been silenced in the clatter of rearmament, which we consider necessary in order to protect the free world against continued Communist aggression. Although some rearmament is necessary, that does not excuse our failure to remind our neighbors, at every opportunity, at every rising of the sun, at every pronouncement from the Soviet propaganda machine, that only the threat of aggressive communism stands in the way of peace through justice and collective security.

It was the fond hope of the common man in every realm on earth, at the close of World War II, that the crushing burden of wars and preparations for more wars could be lifted forevermore. Had it not been for our short-sighted policies of appeasement and expediency, that hope could have been realized. But still the ideal lives. And still it can be realized, if we take firm and positive action now.

Let us offer to the leaders of the Soviet Government, openly and with the light of full publicity beating down upon the conference tables, the chance to say whether they desire to fulfill the declarations of the United Nations Charter with respect to collective security. The way is open. The representatives of free peoples have pointed that way time and again. We offered control of atomic weapons; our offer was spurned by the Soviet delegates. We offered to create a collective security, pledged to defend the weak whenever aggression might threaten; the Soviet delegates would have none of it.

Let us give them one more chance. Let the whole world know they are on trial in the showdown as to who wants collective security, and who refuses every offer looking to containing aggression before it breaks into armed conflict. If the Soviet rulers accept, then, with the ending of fighting in Korea and the ending of threats of aggression in other areas of the world, there can be hope for lasting peace through international cooperation and security. If they do not accept, or if, as is their custom, they stall and stall, dispute and disrupt, delay and deceive, then they will be classifying themselves in the thinking of peoples everywhere. They will be building their own prison of ostracism from peaceful society. The whole world will know, and understand—just as the whole world saw in San Francisco the true purpose of the Soviet delegates—and with righteous wrath, beat down their vicious propaganda with the sword of truth.

This show-down can be brought about promptly, by action first on the part of our own Government. Announcement



should be made that the Soviet Union will be given this choice of the way to peace, and that a conference to that end will be held. Our allies should be assisted in formulating cooperative action for similar conferences between their governments and that of the Soviet Union. At the same time, the United Nations should lay before the Kremlin representatives the same choice, with the alternative of being branded an aggressor against the United Nations. A time limit should be set for final decision.

The saddest spectacle of modern history is that of free peoples, possessing the great bulk of material wealth, skills, leadership in business and labor, production, and moral power, standing hesitant and impotent before the threat of a regime that recognizes neither God nor any rights that God has given man, His highest creation. We hold in our hands a weapon more powerful than the atomic bomb—the truth. This show-down with the leaders of the world-wide Communist conspiracy will give men of courage a chance to use it.

The SPEAKER pro tempore (Mr. MADDEN). Under previous order of the House, the gentleman from New Jersey [Mr. CANFIELD] is recognized for 5 minutes.

#### CIVILIAN DEFENSE

Mr. CANFIELD. Mr. Speaker, the Russians have given us a second and most timely warning by the second explosion of an atom bomb.

I think it appropriate as we give final approval to the military appropriation for 1952, that we give immediate and serious consideration to the grave problem of a balanced program for the common defense of our country against atomic attack.

The Members here today are wisely convinced that the military budget is a sound one and is definitely needed for the military experts of the common defense of the home front.

But I must warn that unless our national civil defense program receives our immediate attention, we are going to have a defense system which is entirely out of balance.

Perhaps the best way I can explain it is in terms of a football team. We are investing our money now, primarily, in the forward line of our defense—the military services. They take the first brunt of the attack on the defensive. On the offensive it is the military's job to crowd through the enemy's front line and carry the attack through.

By this same parallel today we are voting a tremendous amount of money for the forward wall and nothing for our backup or defensive operations.

The military has warned us over and over again that 7 out of 10 enemy atomic bombers will get through our defenses, no matter how much money this Congress votes for military defense.

I must ask you again what preparation is this Congress making through the civil-defense program to take the brunt of the attack—those 7 out of 10 bombers that will get through.

The finest military forces in the world could not operate long if the enemy smashed its home base behind it. It is

the people and production of this country that make our most feared weapons. But it will be the people and production that are wide open to death and disaster on a staggering scale—if we do not have a civil-defense program ready when that attack comes.

The top military experts of our country, who have convinced this House that the expenditures in this budget are absolutely essential for our survival, are equally insistent that the military must have a civil-defense program in being to back it up in case of war. Our military leaders have insisted that the civil-defense program is a vital, urgent, co-equal partner with the military in the common defense of our country.

General Marshall told a Senate committee just a month ago that civil defense was an urgent military necessity.

To emphasize this point, I should like to read what the able Secretary of Defense, Mr. Robert Lovett, had to say to the Senate Committee on Armed Services on September 5, 1951, about the urgency and need for civil defense for the protection of our cities and people:

We continue to feel civil defense is a necessary and a vital part of national defense. The military services, I think, are perhaps more aware of the necessity for civil defense than almost anyone because their continuity of operation depends upon the functioning of our economy as a whole. I am not able to assign a reason for the apathy which Governor Caldwell (Director of Civilian Defense) properly identifies.

And testifying about the same time, General Bradley had this to say:

While the Joint Chiefs of Staff feel that civil defense itself is not a military but rather a civil responsibility, the Armed Forces have in the past supported, and will continue to support, the very important mission of civil defense. If war should come, the entire military effort will be concentrated upon the primary mission of defeating the hostile armed forces. In the event of an attack upon the United States by enemy aircraft, our military forces will do everything in their power to shoot down enemy planes. However, it is the opinion of the Air Force that should such an attack come, a large percentage of enemy aircraft would probably be able to penetrate our defenses. In that event a competent Federal Civil Defense Agency must be prepared to function in order to return our workers and our factories to maximum production and restore communications in the shortest possible time. The military will be unable, in such a contingency, to direct this effort.

There exists then a requirement for an organization, planned and staffed beforehand, to take over in the event of an emergency of this nature. We understand that the Federal Civil Defense Agency is preparing the plans, setting up the organization, and acquiring the necessary resources to do this essential job. If civil defense does not function effectively, our defense efforts will be very adversely affected.

I am certain that for the cost of one or two military air wings—which this Congress has voted funds—we could provide this country with an adequate national civil-defense program which our military leaders have insisted is so badly needed.

I would hate to think that the fifty-odd billions that we are voting here today for our military defense, might be completely wasted for lack of a civil-defense program to protect our production and

our people and keep the military forces supplied and in action.

It will be several years before much of the money we are voting here today for fighters and bombers can actually mean planes in the air. In the meantime, for the cost of that air wing or two, we could have in being in a matter of 18 months or 2 years a tough, sound, civil-defense program.

Our military experts recognize that civil-defense forces must be trained and in being when the attack comes. You cannot train them after the bombs have fallen.

Russia has given us our second atomic warning. They may not wait for a third.

#### AUTOMOBILES FOR CERTAIN DISABLED VETERANS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the House agreed today to the conference report on the so-called amputee car bill. When this finally becomes law I know the many amputees and paraplegics will be happy, as I will be, too, when they will have a chance to engage again in gainful occupation. They will then have the courage and the will to go to work and they will be able to do this when the automobiles are provided. The conferees of the House did the best they could. I know we all regret that World War I veterans were eliminated.

Mr. Speaker, as a part of my remarks I include the conference report and statement of the managers on the part of the House as follows:

#### CONFERENCE REPORT (H. REPT. No. 1098)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1864), to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans who served during World War II, and persons who served in the military, naval, or air service of the United States on or after June 27, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses, as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That, subject to the conditions hereinafter set forth, the Administrator of Veterans' Affairs is authorized and directed, under such regulations as he shall prescribe, to provide or assist in providing an automobile or other conveyance by paying not to exceed \$1,600 on the purchase price, including equipment with such special attachments and devices as the Administrator may deem necessary, for each veteran of World War II or of service on or after June 27, 1950, and prior to such date as shall thereafter be determined by Presidential proclamation or concurrent resolution of the Congress, who is entitled to compensation under the laws administered by the

Veterans' Administration for any of the following due to disability incurred in or aggravated by active military, naval, or air service of the United States during either of such periods:

"(a) Loss or permanent loss of use of one or both feet;

"(b) Loss or permanent loss of use of one or both hands;

"(c) Permanent impairment of vision of both eyes of the following status: Central visual acuity of 20/200 or less in the better eye, with corrective glasses, or central visual acuity of more than 20/200 if there is a field defect in which the peripheral field has contracted to such an extent that the widest diameter of visual field subtends an angular distance no greater than twenty degrees in the better eye.

"Sec. 2. No payment shall be made under this Act for the repair, maintenance, or replacement of any such automobile or other conveyance and no veteran shall be given an automobile or other conveyance until it is established to the satisfaction of the Administrator that such veteran will be able to operate such automobile or other conveyance in a manner consistent with his own safety and the safety of others and will be licensed to operate such automobile or other conveyance by the State of his residence or other proper licensing authority: *Provided*, That a veteran who cannot qualify to operate a vehicle shall nevertheless be entitled to the payment of not to exceed \$1,600 on the purchase price of an automobile or other conveyance, as provided in Section 1 of this Act, to be operated for him by another person, provided such veteran meets the other eligibility requirements set forth in this Act.

"Sec. 3. The furnishing of such automobile or other conveyance, or the assisting therein, shall be accomplished by the Administrator paying the total purchase price, if not in excess of \$1,600, or the amount of \$1,600, if the total purchase price is in excess of \$1,600, to the seller from whom the veteran is purchasing under sales agreement between the seller and the veteran.

"Sec. 4. No veteran shall be entitled to receive more than one automobile or other conveyance under the provisions of this act and no veteran who has received or who hereafter receives an automobile or other conveyance under the provisions of the paragraph under the heading 'Veterans' Administration' in the First Supplemental Appropriation Act, 1947, as extended, or the act of September 21, 1950 (Public Law 798, Eighty-first Congress), shall be entitled to receive an automobile or other conveyance under the provisions of this act.

"Sec. 5. The benefits provided in this act shall not be available to any veteran who has not made application for such benefits to the Administrator within 3 years after the effective date of this act, or within 3 years after the date of the veteran's discharge or release from active service if the veteran is not discharged or released until on or after said effective date.

"Sec. 6. There is hereby authorized to be appropriated to the Veterans' Administration, out of any moneys in the Treasury not otherwise appropriated, such sums as may be required to carry into effect the provisions of this act."

Amend the title so as to read: "An Act to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes."

And the House agree to the same.

OLIN E. TEAGUE,  
CARL ELLIOTT,  
EDITH NOURSE ROGERS,  
*Managers on the Part of the House.*  
HERBERT H. LEHMAN,  
JOHN O. PASTORE,  
*Managers on the Part of the Senate.*

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1864) to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans who served during World War II, and persons who served in the military, naval, or air service of the United States on or after June 27, 1950, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to such amendments, namely:

On June 13, 1951, the Committee on Veterans' Affairs reported H. R. 4233, which provided authorization for the Administrator of Veterans' Affairs to make a payment not to exceed \$1,600 towards the purchase of an automobile or other conveyance for certain disabled veterans. The eligible veterans, under the terms of this bill, were limited to those who had lost or lost the use of one or both hands or feet or who were blind, as defined, and who had served in World War I, II, or after June 27, 1950. In addition, provision was made that the veteran, if he desired, might elect to receive \$1,600 in cash in lieu of the payment toward the purchase price of the automobile. This bill passed the House on a call of the Calendar Wednesday, on June 20, 1951.

It was referred to the Senate Labor and Public Welfare Committee. That committee disregarded the House-approved measure, H. R. 4233, and on July 25, 1951, reported S. 1864, which authorized automobiles for World War II veterans and those who served on or after June 27, 1950, who are entitled to compensation for the loss or loss of the use of one or both legs at or above the ankle. On August 9, 1951, the Senate passed this measure, and when it was referred to the House Committee on Veterans' Affairs, the committee voted to strike out all after the enacting clause and insert the provisions of H. R. 4233 as passed by the House on June 20, 1951.

The bill agreed upon by the conferees closely follows the House bill as originally passed on June 20 and S. 1864, as passed by the House. As agreed upon, the bill is limited to World War II veterans and those who served on or after June 27, 1950, who are entitled to service-connected compensation for the loss or loss of the use of one or both feet or one or both hands, or who are blind, as defined. In cases where the veteran is unable to operate the car, the payment shall be made nevertheless in those cases where the veteran can have the car operated by another person in his behalf. The provision for a cash payment in lieu of a payment towards the purchase of an automobile was deleted by the conferees.

Through August 31, 1951, the following vehicles have been paid for by the Veterans' Administration to eligible World War II veterans under existing authority:

Automobiles.....	25,699
Jeeps.....	61
Station wagons.....	26
Tractors.....	100
Trucks.....	175
Total.....	26,061

The Veterans' Administration is unable to give any estimate, obviously, of the number of veterans who will be eligible for the benefits of this act based on service on or after June 27, 1950. It is estimated, however, by this agency, that of World War II veterans, some 380 veterans will be eligible due to the loss or loss of the use of one or both feet, approximately 9,480 eligible due to the loss or loss of the use of one or both hands, and approximately 1,840 due to blindness.

The text of the laws which have been enacted on the subject is included below:

[Excerpts from public laws which authorize the furnishing of cars for amputees]

PUBLIC LAW 663, SEVENTY-NINTH CONGRESS;  
VETERANS' ADMINISTRATION

"Automobiles and other conveyances for disabled veterans: To enable the Administrator of Veterans' Affairs to provide an automobile or other conveyance, at a cost per vehicle or conveyance of not to exceed \$1,600, including equipment with such special attachments and devices as the Administrator may deem necessary, for each veteran of World War II who is entitled to compensation for the loss, or loss of use of one or both legs at or above the ankle under the laws administered by the Veterans' Administration, \$30,000,000: *Provided*, That no part of the money appropriated by this paragraph shall be used for the repair, maintenance, or replacement of any such automobile or other conveyance and no veteran shall be given an automobile or other conveyance under the provisions of this paragraph until it is established to the satisfaction of the Administrator that such veteran will be able to operate such automobile or other conveyance in a manner consistent with his own safety and the safety of others and will be licensed to operate such automobile or other conveyance by the State of his residence or other proper licensing authority: *Provided further*, That under such regulations as the Administrator may prescribe the furnishing of such automobile or other conveyance shall be accomplished by the Administrator paying the total purchase price to the seller from whom the veteran is purchasing under sales agreement between the seller and the veteran.

"Sec. 303. This Act may be cited as the 'First Supplemental Appropriation Act, 1947.'

"Approved August 8, 1946."

EMERGENCY APPROPRIATION ACT, 1948; PUBLIC LAW 161, EIGHTIETH CONGRESS; CHAPTER 206, FIRST SESSION

"The Administrator of Veterans' Affairs is hereby authorized to disburse, during the month of July 1947, one-twelfth of the amount provided in each appropriation for the Veterans' Administration included in H. R. 3839 as passed by the House of Representatives and there are hereby appropriated such amounts as may be necessary for such disbursements: *Provided*, That amounts expended hereunder shall be deducted from such appropriation for 1948 when H. R. 3839 is enacted into law.

"Automobiles and other conveyances for disabled veterans: The authority and funds provided under this heading in the First Supplemental Appropriation Act, 1947 (Public Law 663, 79th Cong.), are hereby continued available until June 30, 1948."

THE SUPPLEMENTAL APPROPRIATION ACT, 1948; PUBLIC LAW 271, EIGHTIETH CONGRESS

"Automobiles and other conveyances for disabled veterans: For an additional amount for 'Automobiles and other conveyances for disabled veterans,' \$5,000,000 to be available for the purposes specified under this head in the act of August 8, 1946 (Public Law 663)—\$5,000,000."

SECOND DEFICIENCY APPROPRIATION ACT, 1948; PUBLIC LAW 785, EIGHTIETH CONGRESS; VETERANS' ADMINISTRATION

"Automobiles and other conveyances for disabled veterans: For an additional amount for 'Automobiles and other conveyances for disabled veterans,' \$1,500,000, to be derived by transfer from the appropriation 'Administration, medical, hospital, and domiciliary services,' and to be available until June 30, 1949, for the purposes specified under this head in the act of August 8, 1946 (Public Law 663), as extended by the Emergency Appropriation Act, 1948."



**SUPPLEMENTAL APPROPRIATION ACT, 1949; PUBLIC LAW 904, EIGHTIETH CONGRESS; VETERANS' ADMINISTRATION—AUTOMOBILES FOR DISABLED VETERANS**

"For an additional amount for 'Automobiles and other conveyances for disabled veterans,' \$5,000,000."

**THIRD DEFICIENCY APPROPRIATION ACT, 1949; PUBLIC LAW 343, EIGHTY-FIRST CONGRESS, VETERANS' ADMINISTRATION**

"Funds heretofore appropriated for 'automobiles and other conveyances for disabled veterans' are hereby continued available until June 30, 1950."

**PURCHASE OF AUTOMOBILES OR OTHER CONVEYANCES FOR CERTAIN DISABLED VETERANS, PUBLIC LAW 798, EIGHTY-FIRST CONGRESS**

"That there is hereby authorized to be appropriated to the Veterans' Administration the sum of \$800,000 to remain available until June 30, 1951, to enable the Administrator of Veterans' Affairs to provide or assist in providing an automobile or other conveyance by paying not to exceed \$1,600, on the purchase price, including equipment with such special attachments and devices as the Administrator may deem necessary, for each veteran of World War II who is entitled to compensation for the loss, or loss of use, of one or both legs at or above the ankle under the laws administered by the Veterans' Administration: *Provided*, That no part of such appropriation shall be used for the repair, maintenance, or replacement of any such automobile or other conveyance and no veteran shall be given an automobile or other conveyance until it is established to the satisfaction of the Administrator that such veteran will be able to operate such automobile or other conveyance in a manner consistent with his own safety and the safety of others and will be licensed to operate such automobile or other conveyance by the State of his residence or other proper licensing authority: *Provided further*, That under such regulations as the Administrator may prescribe the furnishing of such automobile or other conveyance, or the assisting therein, shall be accomplished by the Administrator paying the total purchase price, if not in excess of \$1,600, or the amount of \$1,600, if the total purchase price is in excess of \$1,600, to the seller from whom the veteran is purchasing under sales agreement between the seller and the veteran: *And provided further*, That no veteran shall be entitled to receive more than one automobile or other conveyance under the provisions of this Act and no veteran who has received or may receive an automobile or other conveyance under the provisions of the paragraph under the heading 'Veterans' Administration' in the First Supplemental Appropriation Act, 1947, as extended, shall be entitled to receive an automobile or other conveyance under the provisions of this Act."

**FIRST SUPPLEMENTAL APPROPRIATION ACT, 1950, PUBLIC LAW 843, EIGHTY-FIRST CONGRESS, VETERANS' ADMINISTRATION**

"Veterans' Administration: For an additional amount for 'Automobiles and other conveyances for disabled veterans,' \$375,000."

**THIRD SUPPLEMENTAL APPROPRIATION ACT, 1951, PUBLIC LAW 45, EIGHTY-SECOND CONGRESS, VETERANS' ADMINISTRATION—AUTOMOBILES AND OTHER CONVEYANCES FOR DISABLED VETERANS**

"To enable the Administrator to provide, or assist in providing, automobiles or other conveyances for disabled veterans as authorized by the Act of September 21, 1950 (Public Law 798), \$800,000."

OLIN E. TEAGUE,  
CARL ELLIOTT,  
EDITH NOURSE ROGERS,

*Managers on the Part of the House.*

**REMOVAL OF CROSSES IN CEMETERY (HONOLULU)**

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have been flooded with telegrams and letters regarding the removal of the crosses in the military cemetery in Honolulu. The bill which I have introduced, and I hope others have introduced similar bills, to replace these crosses, I hope will soon become law.

I should like to remind the Members, particularly those who were here when the now Senator from South Dakota [Mr. CASE] was a Member of this body, that he was responsible for having the cemetery in Honolulu made a shrine for these soldiers who gave their lives for us. I know he is very much interested, and I think he has introduced a bill in the Senate for the purpose of replacing the crosses. They are symbolic of Christianity, of suffering, of sacrifice, as well as crucifixion. These honored dead are entitled to it, this recognition, and their families want it.

Mr. CANFIELD. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I received in the morning's mail a very touching editorial from a Hawaiian paper on that very subject. I shall certainly be glad to support the gentlewoman's proposal.

Mrs. ROGERS of Massachusetts. I hope the gentleman will insert the editorial in the RECORD. The following are some of the letters and editorials I have received:

DISABLED AMERICAN VETERANS,  
JONES-HUGHES CHAPTER, No. 26,  
Durant, Okla., September 29, 1951.

Mrs. EDITH NOURSE ROGERS,  
House of Representatives,  
Washington, D. C.

DEAR Mrs. ROGERS: I have written you several letters in regards to automobiles for certain disabled veterans. And I want to thank you for the way that you have worked on legislation to get automobiles for World War I, World War II, and the Korean war veterans. In fact, we appreciate your telegram that you sent to the Disabled American Veterans National Convention, at Milwaukee, in August, and we also appreciate you, because you have always stood for legislation for World War I, World War II, and now the Korean veterans, all alike. In other words, when you vote for legislation, you try to see that it includes veterans of all three wars above mentioned that have same disabilities. And this is right. There is no discrimination then, and as you are on the conferees committee with Members of the House and Senate, to try to work out legislation that will give automobiles to certain disabled veterans, I hope you can see your way clear to support House bill 4233 and Senate 1864, which I think are just alike. I think they are just bills, because first, I believe, the veterans that are covered in these bills are entitled to a car, and then it does include veterans of World War I, World War II, and the Korean war that have the same disability.

I am enclosing copy of letter I have just written Congressman OLIN TEAGUE; this copy is self-explanatory. And I hope that the conferees committee of the House and Senate will be able to work out legislation that will give an automobile to World War I and World War II and the Korean veterans alike. I don't think any bill could be better than H. R. 4233 or S. 1864. And I thank you for

the blind veterans of Oklahoma and the United States for the things that you and other Members of Congress have done for us.

Yours truly,

W. S. "SONNY" RODGERS,  
Service Officer.

SEPTEMBER 29, 1951.

HON. OLIN TEAGUE,  
House of Representatives,  
Washington, D. C.

DEAR CONGRESSMAN TEAGUE: As you have met me personally and know the work I am trying to do for the disabled veteran, there should be no use in me trying to tell you why I am writing you this letter.

I notice you have been selected on the House conferees committee, to get together with members of the conferees committee of the United States Senate, to try to work out and agree on a bill that will give automobiles to certain disabled veterans.

I am writing you in regards to blind veterans. I think Senate bill 1864 and H. R. 4233 both are good bills and just legislation.

I hope that the Members of the House and Senate both always see fit, first to vote for just legislation, and then, second, to see that to eliminate legislation is not discrimination against any veteran. In other words, if a man that lost his leg in World War II gets a car, why shouldn't a man in World War I that lost his leg get a car, too? All veterans of World War II, that have lost a leg or use of a leg have already received a car, therefore, they won't have to be counted. The men that lost an arm in World War II, under S. 1864 and H. R. 4233, would come in, also all veterans that have lost a leg, hand, or are blind in the Korean war would have to come in, and men that have lost a leg, hand, or are blind in World War I would be included under either of these bills. But notice the ones in World War I that are included in either one of these bills, most of them are already at the graveyard. So you can see the cost wouldn't be too much. And I believe it is just legislation.

Will you please see that legislation is passed that will help the blind veterans of World War I as same as later wars, in regards to receiving a car? And if they prefer the \$1,600 in cash all right, but lots of these boys can't buy a car, therefore they have to sit at home day and night because their neighbor doesn't want to be bothered with a man that is blind and taking him to town and then back home, ever since World War I. But if this blind veteran had a car, his wife or some member of the family could run him to town and let him stay a while. I know how much this means and how much it would help this blind veteran. Therefore I am writing you this letter, asking you to help these cases if possible. And whatever legislation is passed, please see that it includes World War I veterans, World War II veterans and the veterans of the Korea war that has the same disabilities.

There is no question that but what a man is blind, if his family owned a car they could take him down town and later come after him and this would help that blind veteran pass the time a lot. I am speaking because I know what a car means to a blind man and lots of veterans in World War I that is blind has never owned a car because they weren't able.

I thank Congress for what they have done for the blind. But I don't think it is asking too much, to see that a car is made possible to be given to the blind veterans of World War I, World War II and the Korea war. And if they can't drive them themselves, make it possible, that the veteran if he wants the car, to get it, and let some member of his family, wife, brother, or sister drive for him. This will help that blind

veteran more than anything. Thanking you for any help or assistance that you can give the blind veterans of World War I, World War II, and Korean war, and yours truly.

Yours truly,

W. S. "SONNY" RODGERS,  
Service Officer.

[Press release of Catholic War Veterans,  
Washington, D. C., September 29, 1951]

**"WE WILL CARE FOR GRAVE MARKERS"—  
CATHOLIC WAR VETERANS**

The Catholic War Veterans of the United States of America today wired President Truman to give to that organization the maintenance of grave markers, recently ordered removed by the Defense Department economy move. The Catholic Veterans leadership group meeting in Washington, D. C., passed a resolution and are geared for action to carry out the request for the honor and privilege of maintaining the religious symbols over the graves of the honored war dead.

The text of the telegram follows:

"The Catholic War Veterans of the United States along with millions of other loyal citizens are shocked at the news of the removal of the white crosses from the graves of our honored heroes dead in military cemeteries. At a meeting of Catholic War Veterans leaders held in Washington, D. C., September 29, 1951, the following resolution was adopted and forwarded to you for your considered thought—executive order and we trust favorable acquiescence.

"Resolved, That the leadership program representatives of the Catholic War Veterans of the United States of America assembled in Washington, D. C., September 29, 1951, realizing our Government in its international relations has constantly ignored the existence of God and has constantly yielded to the sentiments of proponents of anti-religious actions and because now it seems to be projecting into our national program a similar disregard for God and the sacred symbols of religion in the action of our Department of Defense in its plans for removing from the graves of our honored dead, the symbol of religious identification, this action being promoted in the guise of economy. We are shocked and detest such thinking and action: Therefore be it

"Resolved, That the Catholic War Veterans of the United States of America call upon the President of the United States to relieve the Department of Defense of the expense of maintaining the symbols of religion now marking graves of our heroic dead and extend to the Catholic War Veterans of the United States of America the honor and privilege of continuing to maintain over the graves of these honored dead the crosses and religious symbols which are in the hearts of the loved ones they left behind in making the supreme sacrifice for our country."

"Respectfully,

"DONALD J. MCQUADE,  
"National Commander."

HONOLULU STAR-BULLETIN,  
Honolulu, Hawaii, October 3, 1951.

HON. EDITH NOURSE ROGERS,  
Member of Congress from Massachusetts,  
Care of the House of Representatives,  
Washington, D. C.

DEAR MRS. ROGERS: I enclose clipping of a news story which appeared in the Star-Bulletin today and also reprint of an editorial which the Star-Bulletin carried last week.

The sudden removal of the crosses from the National Memorial Cemetery of the Pacific has raised a great deal of comment here. Most of it is in protest against the removal of the crosses. These protests come to us

from widely diversified elements of our population.

Much comment has been occasioned here by the speeches you have made on the floor of the House concerning this episode.

Cordially yours,

RILEY H. ALLEN,  
Editor.

[From the Honolulu (T. H.) Star-Bulletin of  
October 2, 1951]

**ROGERS BILL WOULD RESTORE WHITE CROSSES**

WASHINGTON, October 2.—Representative EDITH NOURSE ROGERS (Republican, Massachusetts) today introduced a bill to force the Army to restore white crosses on the graves of 13,000 American war dead in Hawaii's Hill of Sacrifice National Memorial Cemetery.

The Army removed the crosses last week and replaced them with flat headstones. Its action kicked off a storm of protests.

Meanwhile, Representative OVERTON BROOKS (Democrat, Louisiana) said that present law authorizes erect headstones but not flat place stones in national cemeteries.

Representative BROOKS is acting chairman of the House Armed Services Committee. He said he understood that the flat place stones are authorized to be furnished by the Government only for war dead who are buried in private cemeteries.

**NO REPORT YET**

Representative BROOKS said the Defense Department has not yet given him a report he requested on the removal of wooden crosses from the graves in the National Memorial Cemetery in Punchbowl Crater overlooking Honolulu. They were replaced by flat stone markers.

The Army's action stirred up protests in the islands which were echoed in Congress and throughout the mainland.

Representative EDITH NOURSE ROGERS (Republican, Massachusetts) told the House yesterday she was preparing a bill to force the Army to restore the crosses.

[From the Honolulu, T. H. Star-Bulletin of  
September 29, 1951]

**THEY AWAIT THE VERDICT**

The mute white crosses have been taken from the graves of the National Memorial Cemetery of the Pacific—but protests may restore them.

It took only 2 hours for the energetic task force of the Army to remove from Punchbowl more than 13,000 little wooden crosses. It will require more time to restore them—if they are to be restored.

But there is time for this task of restoration—those who sleep beneath the green turf in the ancient crater have no need for haste. They will wait, in patience, for the verdict.

All the hurry, all the ordered speed and discipline of their training, all the furious urgency of their attacks on the battlelines, all the sudden anguish of their mortal wounds before they fell, are of the past.

For them the suns will rise and will set over that dedicated Hill of Sacrifice in long, unhurried procession. The gentle winds and the stars will keep them company, even if in a burst of organized effort as well-timed and precise as the burst from a machinegun, the 13,000 white crosses came down in one unexpected afternoon.

In Washington, D. C., Delegate FARRINGTON has appropriately said that the wishes of the families of the men who lie in the Punchbowl graves should be consulted.

That can be done, and should be done. It should have been done, and thoroughly, sympathetically, before the order was given that tore the crosses from the ground.

To do it rightly, the families should have a clear picture of the alternatives—the graves with crosses and also with the flat stone marker, or the graves with only that flat, inconspicuous and unimpressive headstone.

And the families should know—many of them know already—that in our military cemeteries abroad, the white crosses still stand.

And these next of kin should feel that it is not a question of economy—our doing fitting honor to those who are buried in Punchbowl.

It is a question of giving to these heroes of our country the greatest possible evidence of respect and devotion we can give them.

It is a question also of developing this national memorial cemetery as one of our Nation's most impressive, most distinctive burial places.

It is a question of maintaining the physical facilities so that each Memorial Day the people of Hawaii can pay their distinctive tribute of leis and garlands, appropriately wreathed above the graves.

Yes; those who lie asleep in Punchbowl can await the verdict.

For them, all mortal haste is ended. They lie quietly in the ultimate discipline of death, relying upon a grateful country to do them justice.

GLENWOOD SPRINGS, COLO.,  
September 29, 1951.

HON. EDITH NOURSE ROGERS,  
United States House of Representatives,  
House Office Building,  
Washington, D. C.

DEAR MRS. ROGERS: We are very grateful to you for your H. R. 5413 which cuts right through the hypocrisy of appeasement to the heart of the matter of calling a war a war.

John's mother and I have felt that if the policy of appeasement is extended to such a thing as reaching into a national cemetery we would not be satisfied to leave him in Arlington. We know that John, could he have foreseen the lengths to which appeasement has gone, would prefer to be placed in a cemetery where the hand of appeasement could not reach him.

We note that "Korea" will be permitted now; but that was authorized for the first time I protested with the difference that now it is to be Government paid and can be a part of the inscription instead of being relegated to the back or bottom of the stone. It is geographic, not historic and is still an evasion of the right of veterans of all wars to have the war in which they died on their stones.

We also note a weaseling bill, H. R. 5384 introduced by Mr. LANE which would permit "Korean conflict." This is doubly distasteful to parents and widows because it is such a patent attempt to evade the issue. Its defects are two very serious ones.

1. It is lexicologically incorrect and vague. A conflict is any dispute even between two men on the debating platform or in a prize ring. It is a general term; it may or may not mean a war. To really mean anything it has to be qualified; it must be used like this, "An armed conflict between nations." And when you have said that you have defined war; so why not use the word "war" in the first place. An armed conflict between nations exists whether or not a president, a congress, or a parliament has so labeled it.

2. It is a clumsy attempt to evade telling the truth. Better no inscription or just "Korea" which is a lesser evasion. It is not the inscription but the motive behind it that is so objectionable to relatives. Many are convinced that appeasement killed their kin,



and they do not want it to follow their dead to the cemetery.

If you will give me the names of the Committee on Interior and Insular Affairs I will get in touch with each member. If you will also advise me sufficiently ahead of time I will write each Member of the House just before the bill comes up for consideration of the floor—both bills, yours and Mr. LANE'S.

I enclose a mimeographed copy of my letter to the President written before I received notice of either bill, and a sheet containing the chronology of the affair. I have been sending them out to some 200 newspapers—not because I want publicity for myself or my son, but because I want the people to know what goes on in our leadership in Washington.

The organization whose letterhead I use has one objective: to protect the fighting man by fighting the appeasement which is so unnecessarily sacrificing his life. We have devoted all of John's death benefits to this crusade, and will continue to put all we can into the work. John and his family have put \$1,600 into it in the last 8 months. I enclose a card. We have sent out 10,000 like it.

This organization of relatives and friends of fighting men throughout the country can be counted on for continued resistance to appeasement. It is the hard core of resistance. Other people get mad and get over it; we stay mad.

I hope you will push this bill relentlessly. An inscription is a small thing, but it is the appeasement behind it that is the real issue.

Thanking you again, and with best wishes,  
Yours very sincerely,

EUGENE R. GUILD,  
Captain, United States Army, Retired, General Chairman.

P. S.—Please use in any way you see fit. John and I were born in Massachusetts—he at Winthrop, and I at North Scituate.

ROARING FORK RANCH,  
GLENWOOD SPRINGS, COLO.,  
September 20, 1951.

The PRESIDENT,

The White House, Washington, D. C.

DEAR MR. PRESIDENT: Your reversal today of your previous ruling, forbidding even the word "Korea" on Arlington gravestones, still deprives my son and all Korean dead of the right, held by the dead of other wars, to have the war in which they died recorded on their graves.

The authorized single word, "Korea",<sup>1</sup> is still an evasion, a weasel word which dodges the issue and attempts to preserve the original deceit that the Korean war is not a war. It is still like your ruling appeasing the Reds on the Arlington gravestones of our five fliers shot down over Yugoslavia.

A soldier's grave has, until your stewardship, been the one inviolable page of history from which later generations could read the truth. Who tampers with it destroys its integrity. My son was killed by battlefield appeasement; must I now take him from Arlington's once hallowed ground because, lest the Reds be offended, it is to be again fouled by graveyard appeasement?

Your purpose in battlefield and graveyard appeasement is, no doubt, peace. And so was Chamberlain's. But his failure proves that peace cannot be had by kneeling to dictators. My son and the other 20,000 who have died in the name of peace in Korea were not on their knees to the Reds. Will you get up off your knees, Mr. President?

EUGENE R. GUILD,  
Captain, United States Army, Retired

<sup>1</sup> Merely geographic; not historic.

#### BACKGROUND AND CHRONOLOGY

On September 21, 1950, Second Lt. John N. Guild, USMC, was killed in action in the now well-known assault on Hill 85 by Charley Company of the First Marines.

On May 10, 1951, he was buried in Arlington National Cemetery. On May 26, 1951, in ceremonies at Quantico, Va., he was posthumously awarded the Navy Cross for extraordinary heroism. Simultaneously a bitter letter by his father, Captain Guild, was read in the MacArthur committee hearings to General Collins on the witness stand. It blamed the son's death on appeasement and charged the administration with paying blackmail in American lives to the Reds.

On July 16, in response to a request from the Quartermaster General of the Army for inscription details on their son's headstone, Captain and Mrs. Guild requested that World War II, which the Quartermaster General stated was to be inscribed on the headstone, be omitted because their son had been a student at the Annapolis Naval Academy during that war, and had neither fought nor died in it. They requested that since Lieutenant Guild had fought and died in the Korean war, "Korean War" be substituted.

In reply on July 30, "Korean War" was forbidden, but it was stated that the single word "Korea" would be allowed at private expense on the back or bottom of the stone.

On August 3 the parents protested that this deprived all Korean dead of the right—accorded to the dead of other wars—of having the war in which they died for their country recorded on their gravestones, and that this was appeasement of the Reds by maintaining the fiction that we were not in a war, a fiction which carried appeasement even to the graves of the heroic dead. They asked the Senators from Colorado to sponsor legislation giving the Korean dead the rights of which they were being deprived.

On September 6, presumably as a result of the parents' continued protest, the President reversed himself and withdrew permission for use of the word "Korea." Despite the objection of the parents to "World War II," they were informed that "World War II" would be inscribed on their son's grave.

By September 20 public opinion became aroused. Senator KNOWLAND, of California, and Senator SALTONSTALL, of Massachusetts, said they would support corrective legislation in the Senate; and in the House Chairman VINSON, of the House Armed Services Committee, declared he would sponsor a bill on the subject if necessary.

Then the President reacted. Through release No. 1257-51, September 20, 1951, of the Defense Department, he again reversed himself and again permitted the word "Korea" to be used, although he continued to stubbornly refuse to name the war in Korea a war.

In the accompanying letter Captain Guild has replied that this still constitutes appeasement under which he cannot allow his son to remain in Arlington Cemetery, and urges the President to get up off his knees and abandon all appeasement of the Reds, including battlefield and graveyard appeasement.

NEW YORK, N. Y., October 4, 1951.  
Representative EDITH N. ROGERS,  
House of Representatives,  
Washington, D. C.

DEAR MRS. ROGERS: As the mother of an only son who is buried on Hawaii's Sacrifice Hill, may I thank you for your splendid action in having these crosses and stars of David restored to the graves of those who were not economywise in giving up their lives in defense of their country. Cannot these be replaced with material that will withstand the elements of the climate in Hawaii?

This action, if allowed to be consummated, will show an alarming situation. In defer-

ence to the godless countries no prayer of peace was said at the time of the opening of the United Nations sessions, nor at the signing of the Japanese peace treaty in California. How these countries must be gloating that now we are removing the very symbol of Christianity.

Again my sincere gratitude for speaking for the Gold Star Mothers, who do not have any lobbyists to plead their causes.

Gratefully,

AGNES G. MCGOVERN  
(Mrs. Peter J. McGovern).

#### EXTENSION OF REMARKS

Mr. MAHON. Mr. Speaker, I ask unanimous consent that in connection with the remarks I made on the floor today I be permitted to insert after my remarks a letter from the Assistant Secretary of Defense and from Secretary Lovett with regard to the problems of releasing the reservists. The Department of Defense is today announcing a more expeditious program for the release of reservists, and I think this letter should be included in the CONGRESSIONAL RECORD of today.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. SIMPSON of Illinois (at the request of Mr. ARENDS) and to include an editorial.

Mr. ANGELL (at the request of Mr. ARENDS) and to include an editorial.

Mr. WICKERSHAM in six instances and to include extraneous matter.

Mr. MANSFIELD and to include extraneous matter.

Mr. DONOHUE.

Mr. AYERS and to include a newspaper article.

Mr. ABERNETHY and to include a resolution.

Mr. MACHROWICZ.

Mr. BAILEY.

Mr. POLK in two instances and to include resolutions.

Mr. BLATNIK in two instances and to include extraneous matter.

Mr. ZABLOCKI in two instances and to include extraneous matter.

Mr. KELLEY of Pennsylvania and to include excerpts.

Mr. O'NEILL (at the request of Mr. KELLEY of Pennsylvania) and to include a newspaper article.

Mr. ENGLE in two instances and to include extraneous matter.

Mr. BAKEWELL and to include an article.

Mr. JENKINS and to include an address entitled "We Jump Into the Fire" notwithstanding the fact that it exceeds the limit and is estimated by the Public Printer to cost \$205.

Mr. EDWIN ARTHUR HALL, in four instances, and to include in one a radio speech made by him.

Mr. MARTIN of Iowa and to include an editorial.

Mr. BOW and to include an editorial.

Mr. HARRISON of Wyoming, in two instances, and to include extraneous matter.

Mr. ELLSWORTH and to include extraneous matter.

Mr. HAND.

Mr. REED of New York, in three instances, and to include extraneous matter in each.

Mr. BENDER, in four instances, and to include extraneous matter.

Mr. O'HARA (at the request of Mr. MARTIN of Massachusetts) and to include an editorial.

Mr. BEALL (at the request of Mr. MARTIN of Massachusetts) and to include an editorial.

Mr. WERDEL (at the request of Mr. MARTIN of Massachusetts) and to include an article notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost \$369.

Mr. VAN ZANDT (at the request of Mr. MARTIN of Massachusetts) and to include extraneous matter.

Mr. GRANT.

Mr. SMITH of Mississippi, in two instances, and to include extraneous matter.

Mr. HARRISON of Virginia and to include extraneous matter.

Mr. HOFFMAN of Michigan.

Mrs. ROGERS of Massachusetts, in two instances, and to include certain letters.

Mr. GWINN and to include a newspaper clipping.

Mr. BOYKIN (at the request of Mr. GATHINGS) and to include extraneous matter.

Mr. GATHINGS and to include an editorial.

#### SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2170. An act to amend the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

#### BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. STANLEY, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill and joint resolution of the House of the following titles:

H. R. 4496. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1952, and for other purposes; and

H. J. Res. 340. Joint resolution making an appropriation for the Veterans' Administration for the fiscal year 1952.

#### ENROLLED BILLS SIGNED

Mr. STANLEY, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 990. An act to confer jurisdiction on the Court of Claims to hear, determine, adjudicate, and render judgment on the claim of Preston L. Watson, as administrator of the goods and chattels, rights, and credits which were of Robert A. Watson, deceased;

H. R. 3205. An act to amend the Veterans Regulations to provide that multiple sclerosis developing a 10-percent or more degree of disability within 2 years after separation from active service shall be presumed to be service-connected;

H. R. 3504. An act for the relief of Nison Miller; and

H. R. 5102. An act to authorize the Secretary of the Navy to enlarge existing water-supply facilities for the San Diego, Calif., area in order to insure the existence of an adequate water supply for naval installations and defense production plants in such area.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DOLLINGER (at the request of Mr. MULTER) for Friday, October 5, on account of illness.

Mr. BRAMBLETT (at the request of Mr. ALLEN of California), indefinite, on account of official business.

Mr. PRESTON, for Friday, October 5, on account of official business.

Mr. DEMPSEY (at the request of Mr. KLEIN), for an indefinite period, on account of official business.

Mr. AUCHINCLOSS (at the request of Mr. MARTIN of Massachusetts), for today, on account of illness.

#### ADJOURNMENT

Mr. MADDEN. Mr. Speaker, I move the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 55 minutes p. m.) the House, under its previous order, adjourned until Monday, October 8, 1951, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

851. A letter from the Administrator, Housing and Home Finance Agency, transmitting the semiannual report of the Federal National Mortgage Association for the 6 months ended June 30, 1951, pursuant to section 306 of the National Housing Act, as amended, and section 2 (6) of Reorganization Plan No. 22 of 1950; to the Committee on Banking and Currency.

852. A letter from the Secretary of Defense, transmitting a draft of a proposed bill entitled "A bill to provide for an increase in the pay and certain allowances of members of the uniformed services"; to the Committee on Armed Services.

853. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated August 9, 1951, submitting a report, together with accompanying papers, on a review of reports on, and a preliminary examination and survey of the Illinois and Mississippi Canal, Ill., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on September 21, 1943, and authorized by the River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

854. A letter from the Secretary of Defense, transmitting a report listing projects for the establishment or development of military, naval, or Air Force installations and facilities by the construction, installation, or equipment of temporary or permanent public works which have been authorized by the Congress subsequent to the beginning of the Eightieth Congress and for which adequate funds for their completion had not been appropriated at the close of the Eighty-first Congress, pursuant to section 408 (b) of Public Law 564, Eighty-first Congress; to the Committee on Armed Services.

855. A letter from the Acting Administrator, Federal Civil Defense Administration, transmitting a draft of a bill entitled "A bill

to amend sections 203 and 403 of the Federal Civil Defense Act of 1950, so as to authorize certain Government officers to assist in carrying out mutual civil defense aid between the United States and neighboring countries; to modify the loyalty oath so as to allow nationals of neighboring countries or of countries that are parties to the North Atlantic Treaty to participate in State civil defense programs without impairing their citizenship; and for other purposes"; to the Committee on Armed Services.

856. A communication from the President of the United States, transmitting estimates of appropriation for the fiscal year 1952, in the amount of \$7,527,527,790, to carry out the purposes of the Mutual Security Act of 1951 (Public Law 249, 82d Cong. (H. Doc. No. 250)); to the Committee on Appropriations, and ordered to be printed.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DAWSON: Committee on Expenditures in the Executive Departments. S. 466. An act to authorize and direct the Administrator of General Services to transfer to the Department of the Army certain property in St. Louis, Mo.; without amendment (Rept. No. 1101). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOYKIN: Committee on Merchant Marine and Fisheries. S. 467. An act to authorize the exchange of wildlife refuge lands within the State of Minnesota; without amendment (Rept. No. 1099). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOYKIN: Committee on Merchant Marine and Fisheries. S. 509. An act to amend the Migratory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 451; 16 U. S. C. 718d), as amended; without amendment (Rept. No. 1100). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Expenditures in the Executive Departments. S. 1967. An act to amend or repeal certain laws relating to Government records, and for other purposes; without amendment (Rept. No. 1102). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Expenditures in the Executive Departments. H. R. 5230. A bill providing for the conveyance to the State of North Carolina of the Currituck Beach Lighthouse Reservation, Corolla, N. C.; with amendment (Rept. No. 1103). Referred to the Committee of the Whole House on the State of the Union.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER:

H. R. 5627. A bill to authorize the Commissioner of Education to promote the public presentation of drama and music productions by State and land-grant and other accredited nonprofit colleges and universities, utilizing for such purpose auditoriums of the Federal Government and of the District of Columbia; to the Committee on Education and Labor.

By Mr. WALTER:

H. R. 5628. A bill granting the consent of Congress to a supplemental compact or agreement between the State of New Jersey and the Commonwealth of Pennsylvania, authorizing the Delaware River Joint Commission to construct, finance, operate, maintain and



own a vehicular tunnel or tunnels under, or an additional bridge across, the Delaware River and defining certain functions, powers, and duties of said commission, and for other purposes; to the Committee on Public Works.

H. R. 5629. A bill granting the consent of Congress to a supplemental compact or agreement between the State of New Jersey and the Commonwealth of Pennsylvania concerning the Delaware River Port Authority, formerly the Delaware River Joint Commission, and for other purposes; to the Committee on Public Works.

By Mr. MANSFIELD:

H. R. 5630. A bill to approve a repayment contract negotiated with the Frenchtown irrigation district, Mont., to authorize its execution, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 5631. A bill to approve repayment contracts negotiated with the Frenchtown irrigation district, the Malta irrigation district, the Glasgow irrigation district, and the irrigation districts comprising the Owyhee Federal reclamation project, to authorize their execution by the Secretary of the Interior, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McGRATH:

H. R. 5632. A bill to amend the Interstate Commerce Act, so as to require certificates of public convenience and necessity for the construction of pipelines, and additions to and extensions of pipelines, to be used for transportation subject to part I of such act; to the Committee on Interstate and Foreign Commerce.

By Mr. BUDGE:

H. R. 5633. A bill to approve a contract negotiated with the irrigation districts on the Owyhee Federal project, to authorize its execution, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FERNANDEZ:

H. R. 5634. A bill conferring jurisdiction upon the Court of Claims of the United States to hear, examine, adjudicate, and render judgment on certain claims of individual Navajo Indians against the United States; to the Committee on Interior and Insular Affairs.

By Mr. STIGLER:

H. R. 5635. A bill for the relief of the State of Oklahoma; to the Committee on the Judiciary.

By Mr. RANKIN:

H. J. Res. 343. Joint resolution to direct the Secretary of the Army to replace the crosses and other religious symbols which formerly marked the graves at the National Memorial Cemetery in Hawaii; to the Committee on Interior and Insular Affairs.

By Mr. O'NEILL:

H. Res. 452. Resolution to provide for the payment of certain death and burial benefits to Thomas Logan; to the Committee on House Administration.

#### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By Mrs. ROGERS of Massachusetts: Memorial of the General Court of Massachusetts to pass legislation providing for a ship-building program; to the Committee on Merchant Marine and Fisheries.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRAMBLETT:

H. R. 5636. A bill for the relief of Ernest Ludwig Bamford and Mrs. Nadine Bamford; to the Committee on the Judiciary.

By Mr. HART:

H. R. 5637. A bill for the relief of Sergio Sciangualepore; to the Committee on the Judiciary.

H. R. 5638. A bill for the relief of Giacomo Allegretta; to the Committee on the Judiciary.

By Mr. KILDAY:

H. R. 5639. A bill for the relief of Mrs. India Taylor Palmi Stevenson; to the Committee on the Judiciary.

By Mr. MACHROWICZ:

H. R. 5640. A bill for the relief of Stanley DiLabbio; to the Committee on the Judiciary.

H. R. 5641. A bill for the relief of Nicholas De Lorence-Pigulewski; to the Committee on the Judiciary.

By Mr. MADDEN:

H. R. 5642. A bill for the relief of Angeliki Harilaos Scoupakos; to the Committee on the Judiciary.

By Mr. MANSFIELD:

H. R. 5643. A bill for the relief of Lauren F. Teutsch; to the Committee on the Judiciary.

By Mr. POULSON:

H. R. 5644. A bill for the relief of Basil Jamil Harb; to the Committee on the Judiciary.

H. R. 5645. A bill for the relief of Jacques Poletti; to the Committee on the Judiciary.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

449. By the SPEAKER: Petition of Miami Townsend Club No. 1, Miami, Fla., vigorously protesting the proposed opening of the welfare rolls to public exposure; to the Committee on Ways and Means.

450. Also, petition of Miami Townsend Club No. 22, Miami, Fla., vigorously protesting the proposed opening of the welfare rolls to public exposure; to the Committee on Ways and Means.

## SENATE

MONDAY, OCTOBER 8, 1951

(Legislative day of Monday, October 1, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God our Father, whose spirit searcheth all things and whose love beareth all things, for this hallowed moment, turning from our divisive loyalties and our party cries we would bow humbly in a unity of spirit with a vivid realization of our oneness in Thee. Forgive us for praying that Thy kingdom might come and then, by our own selfish stubbornness, barring the way when it has sought to come through us.

Grant us a fundamental fealty to the common good, expressing itself in divergent attitudes and convictions, which are the glory of our national heritage, yet putting above all partisan advantage the weal and welfare of the commonwealth to which we solemnly pledge our allegiance. With the wrecks of nations which have broken Thy law of love still smoking in ruins before our eyes, let the purifying stream of Thy mercy

cleanse our national life lest our destruction be determined and we, too, go the way of the nations that have forgotten God. We ask it in the dear Redeemer's name. Amen.

#### THE JOURNAL

On request of Mr. McFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Friday, October 5, 1951, was dispensed with.

#### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the House had passed the bill (S. 537) to further amend the Communications Act of 1934, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1864) to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans who served during World War II, and persons who served in the military, naval, or air service of the United States on or after June 27, 1950, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5054) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the Department of Defense for the fiscal year ending June 30, 1952, and for other purposes, and that the House receded from its disagreement to the amendment of the Senate numbered 50 to the bill, and concurred therein with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had rejected the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5113) to maintain the security and promote the foreign policy and provide for the general welfare of the United States by furnishing assistance to friendly nations in the interest of international peace and security, and that the House receded from its disagreement to the amendment of the Senate to the bill, and concurred therein with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 1227. An act to amend further the act entitled "An act to authorize the construction of experimental submarines, and